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No. 69. Twenty one Enclosures.

Legation of the United States.

DEPARTMENT OF STATE
JAN 23 1883
RECEIVED

Peking, December 6th, 1882.

John Russell Young to
the Secretary of State.

Subject.

Chinese interference with American interests at Shanghai.

Synopsis.

Refers to despatch number 43. and recites further illegal attempts made to interfere with manufacturing interests in foreign hands at Shanghai. Chinese Government maintains that foreigners have no right to manufacture at

the

the open ports. Quotes treaty and shows the absurdity of this assumption. Gives a brief history of discussion upon this point. Chinese attempt to carry their point by illegal arrests and other acts of violence. Have communicated details to Admiral Kempff. Gives full report of action taken by the Legation, with copies of all correspondence, and requests the approval of the Department.

Legation of the United States,

Peking, — Dec 8 1872

Perused & attached Feby 27 1873

My dear Mr. Bellinghausen.

In this mail I forward you a very long despatch, — which I am afraid goes beyond even a secretary's power of endurance. — But the subject is one of the greatest importance, and I thought, that even as a matter of record, it would do no harm, to sum up the question from the beginning, and trace the new policy, which now excites so much concern in diplomatic circles, to its origin, & course. — now to finish. Should you think it best to print this I would suggest omitting the enclosure to Admiral Kelly, & the paragraphs referring to it

With these exceptions, the privity of the deputation at any time would do no harm, and might attract interest to our Chinese affairs.—

I need not say with how much anxiety I await your response to this, and my deputation on [illegible] Stevens case about the release of the prisoners.— I was informed privately that Mr. Stevens who is a social man, & was on friendly terms with his prisoners, released them in a moment of convivial good nature. Mr. Cheshire the acting-consul general is a young man, and timid in his new office. There has been a tendency among the consuls in the east to act independently of the Legation. This is a

mistake as nearly all consular disputes with the local authorities commute the colonial for settlement, and when we are in the dark as to what the amount do, we cannot act with intelligence.

I am [Reading] you a despatch about our whole consular service here - and may trouble you with some suggestions that I hope will meet with hospitality of the foreign committees in the Senate & House. The subject is one of the most important - and it is among the reasons why I have suggested in another private letter to you - only of the President, the propriety of a tour of inspection of our consulates in the spring.

Mr Cornett is here craving a passport.

His case is a delicate one. He claims that the missionaries are opposed to him because he has renounced the cruel & degrading doctrine of eternal punishment, and Christianity in general. So far as I can learn, the missionaries have been very kind to him. I have asked him to wait until I hear your decision in Mr. Henry's habeas corpus case. I expect the subject in a brief despatch.

I am always, dear Mr. Fielding,

with wishes for a happy New Year,

Yours sincerely

Thos. Russell Henry.

Wm. F. J. Fielding, Esqr.

No. 69. Twenty one Enclosures.

Legation of the United States.

Peking, December 6th, 1882.

Honorable F. T. Frelinghuysen

Secretary of State.

Sir:

In my despatch number 43, dated October 18th, 1882., I had occasion to dwell at some length upon the case of Mr. Wetmore, an American merchant doing business in Shanghai, who complained to the Legation that the Chinese authorities had interfered with his rights under the treaties. I have now the honor to report at length the further developments in this

case

case, and to note with regret that it has assumed proportions of exceptional gravity.

The situation, when I wrote my despatch, number 43., was briefly as follows:- Mr. Ketmore, a merchant, seeking honest means of gain and acting within his treaty rights, issued a prospectus asking subscriptions for shares in a proposed company for the manufacture of cotton yarn. In doing this he was following many precedents, as there was already in existence at Shanghai various forms of industry under foreign control, manufactories of acids, bricks, leather, flour, iron ware

iron ware, matches, silk and glass. These industries were protected by the treaties and recognized by the Chinese authorities. Mr. Wetmore, therefore, felt that he was acting not only within his rights, but in accordance with custom, when he proposed to add another source of wealth to the prosperity of Shanghai.

Although the Chinese Imperial Authorities had never assented to the right of foreigners to manufacture in the open ports there had been a tacit acquiescence, and their objections had never gone beyond discussions between the Foreign

Office

office and the diplomatic
Representatives. To these discussions
I shall refer later in giving the
Department a summary of the
history of this case.

After Mr. Cremore's
prospectus appeared offering
to the public shares in his
company, there was published
in a Chinese Shanghai newspaper
an announcement to the effect
that the proposed enterprise
was illegal in this, that it
was in contravention of a
monopoly granted by the
Superintendent of Northern Trade,
Li Hung Chang, to another company,
composed of Chinese capitalists,
for the manufacture of cotton
cloth

cloth. Mr. Wetmore's enterprise was intended to invite Chinese capital. At Shanghai and other open ports Chinese capitalists seek foreign investments with avidity, finding more security for their money under foreign control than when at the mercy of capricious mandarins. The effect of the announcement in the Chinese paper was, therefore, to alarm the investors. As a consequence the notice interrupted the enterprise of Mr. Wetmore and brought it to a standstill after he had taken a great deal of trouble and spent much money. This publication was followed by

by an official announcement from the Taotai of Shanghai to our Vice Consul General in which the Taotai recited at length his objections to the proposed company, and communicated a copy of an order from the Superintendent of Northern Trade directing him to protest against its formation and use its power to prevent it.

Mr. Cretmore contended that, while the monopoly granted to the Chinese company was for the manufacture of cotton cloth, his company proposed to manufacture cotton yarn, and that there was as much difference between the two processes as between

between tanning leather and making shoes. Consequently there was, as a matter of fact, no invasion of the Chinese monopoly. The Legation, while admitting the force of this reasoning, felt that there was still greater force in the clear meaning of the treaty, a meaning that has been in dispute for some time with the Chinese Government.

I accordingly addressed a despatch to H. I. H. Prince Kung pointing out the injustice that had been done to Mr. Wetmore, that he was acting within his treaty rights, and that, even if a monopoly had been granted by the Viceroy, such a monopoly could

could not be valid under the treaty, as a treaty was the supreme law of the land, a law that no biceregal mandate could set aside. I ventured to remind the Prince that a large number of his countrymen had established themselves in many parts of the United States & engaged in all kinds of manufacturing and mercantile pursuits from which they had secured large profits; that this had been done under our laws, and what our Government had for years conceded to Chinese in all sections of the country, H.I.H. could have no delicacy in conceding to Americans

in

in the few open ports.

As the question at issue, namely the construction of a treaty meaning as to rights of foreigners to manufacture, affected all foreigners in China, I submitted the question to the Diplomatic Body in Peking. The unanimous voice of my colleagues was that the Chinese Authorities in Shanghai had taken an untenable position, that Mr. Wetmore was acting within the treaty, and that they would support any representation that might be made to the Foreign Office in his behalf.

The question was now between the Representatives of the foreign

foreign Governments, and the Chinese Foreign Office. It may not be without interest to the Department that I should briefly give a history of the negotiations which preceded this incident, and which have from time to time been communicated to you by my predecessors.

On the 27th of June 1858. at Tientsin, the Envoy of the French Emperor signed a Convention with the Chinese Ministers which in time had due and solemn ratification. Article VII. of this Convention was in these words:—

"Les Français et leurs
"familles pourront se
"transporter, s'établir, et se
livrer

"livrer au commerce ou à
"l'industrie en toute
"sécurité et sans entrave
"d'aucune espèce dans les
"ports et villes de l'empire
"Chinois situés sur les
"côtes maritimes et sur les
"grandes fleuves, dont
"l'énumération est contenue
"dans l'article précident."

On the 2nd of November, 1865. the Envoy of the King of Belgium signed, at Peking, a Convention with the Imperial Government, which was also solemnly confirmed and accepted. Article XI. of this Treaty was as follows:—

"Les Belges et leurs familles
pourront

"pourront se transporter, s'établir
"et se livrer au commerce,
"ou à l'industrie en toute
"sécurité et sans d'aucune
"espèce, dans les ports et
"villes de Canton, Swatow,
"Amoy, Foochow, Ningpo,
"Shanghai, Nantsing, Chinkiang,
"Kiukiang, et Hankow sur
"le fleuve Yangtze – Chefoo,
"Tientsin, Kiuchuang – Tamsui
"et Taiwanfoo dans l'île de
"Formosa, et Kiungchow dans
"l'île de Hainan".

The mandatory sentences in these covenants are, as you will observe, identical.

In Article XXX. of the Convention signed by my predecessor

predecessor, Mr. Reed, at Tientsin
on June 18th, 1858, it is expressly
conceded that a privilege granted
to any nation or the merchants
or citizens of any nation by
the Ta Ching Empire, any "right
"privilege or favor, connected
"either with navigation, commerce,
"political or other intercourse, which
"is not conferred by this treaty,
"such right, privilege and
"favor shall at once fully inure
"to the benefit of the United States,
"its public officers, merchants,
"and citizens". In Article VI. of
the Convention signed at "
Washington on July 28th, 1868. "
between my predecessor, Mr. "
Burlingame, acting as the Envoy
of

of His Majesty, and Mr. Seward, then Secretary of State, the same covenant is affirmed. Consequently American citizens are entitled to all privileges granted by the Imperial Government to subjects of Belgium and citizens of France.

These treaties form the ground work of the position taken by the Legation and the foreign Representatives. In the despatch, number 212. of my predecessor, Mr. Angell, he reports the result of certain conferences between the American and other Legations, a reference to which will be instructive at this time as throwing light upon the

the points at issue. Mr. Angell reports that during the summer of 1881. the Foreign Office was disposed to an amicable construction of the treaties, one that the foreign Powers could accept. Suddenly, he writes, "the "Chinese Ministers came forward "with so important and unacceptable modifications, that "the Diplomatic Body, at their "meeting of July 11th, 1881, were "agreed that it was useless to "prolong negotiations on such a "basis!

This change of demeanor on the part of the Government may be dated as the inception of a policy which has been steadily

steadily resisted by the foreign Powers, and which culminatis in the unfortunate condition of affairs now existing at Shanghai.

Mr. Angell's despatch contains the report of an interview between H. E. Mr. von Brandt, the German Minister, acting in the name of the Diplomatic Body, and the Foreign Office. This interesting, and, I might add, historical document shows that the Chinese Government had resolved to advance two propositions. The first was that foreign goods, admitted duty free, and shipped coastwise, should pay coast trade duty. The second was, that goods manufactured from native

native produce bought at the port should be subjected to the same regulations as goods manufactured from produce brought from the interior under transit pass. Mr. von Brandt held that these demands were in discord with the treaties, and the Legation shared his opinion.

[Mr. von Brandt also, in his confidential report of the conference with the Foreign Office informed his colleagues that he "was struck by a casual remark "from the Minister Asia to the "effect that foreigners could not "be allowed to compete with the "Chinese in the trade in native produce.

"produce." "The remark" continues
H. E. "not having been addressed
"directly to me, I did not feel
"bound to take it up then and
"there, but it seemed to me to
"contain the key note of the new
"objections of the Foreign Office."
Herr. von Brandt added, in his
communication to his colleagues,
an expression of regret at the
change in the policy of the
Government as indicating an
antipathy to foreign interests,
and a desire to render the treaties
illusory and nugatory. He
expressed also the fear that the
new line of policy "to judge
"from some of the Memorials
"presented to the Throne during the
last

"last year, would seem to rest
"upon special Imperial
"instructions."]

Mr. Angell regarded the declaration of the Yamên as bringing the discussion to a standstill. The next reference to the subject is contained in a despatch from my predecessor, Mr. Holcombe, number 36. dated December 27th, 1881, Mr. Holcombe reported that the Chinese were "firm in their new "policy" and that "no progress "had been made in the negotiations." In his despatch will be found an enclosure from Prince Kung to the Diplomatic Body dated September 29th, 1881, in which H. I. H. gives his construction of the

treaty

treaty provisions quoted above, a construction worthy of note because the ground therein taken is for the first time advanced by the Imperial Government. The foreign Powers claim that, under the treaties, any foreigner may engage in lawful business or industry and have access to the ordinary markets foreign or domestic. This is an intelligible right, one that contracting Powers would naturally secure by Treaty. "This expression", says the Prince referring to the provisions above quoted "relates to the exemption "of sundry laborers in general "and means that Chinese and "foreigners are permitted to engage themselves

"themselves as laborers and workmen,
"and work, but with the "
"manufacturing of goods it has
"nothing to do, nor does it signify
"that goods so manufactured may
"be sold as a matter of course."

The position, as Mr. Holcombe reported in his despatch, was substantially this:- The Treaty Powers maintained that in their Conventions, the right of foreigners to engage in honest manufacturing industries was conceded, and that it was open to them to employ their capital and skill for the " advancement of their interests in China. The Prince claimed that the meaning of the Conventions was

1/69.
2/69.
3/69.

was that Chinese might hire foreigners as laborers, or foreigners engage Chinese for the same purpose, but that foreigners could not enjoy the commercial fruits of any such labors. The mere statement of this construction of the Treaties will demonstrate its absurdity. It embodies, however, all that the Legation can discern in the Chinese side of the controversy.

As another chapter in the history of these negotiations I would call your attention to the despatch of Mr. Holcombe, number 92. dated April 29th, 1882. Over four months had passed during which the question had

lain

lain dormant. There had been discussions between the foreign Representatives and the Foreign Office endeavoring to reconcile the varying conctructions of the Treaties. The Legation then had only to report that the Chinese Government was even more resolved to maintain the eccentric and impossible reading advanced by Prince Kung. The Government maintained that, under the Treaties, foreigners had no right to engage in manufactures in China, and that, if they so engaged, goods so manufactured " must " "invariably be exported, and "could not be sold in China." It was further reported to the

Department

Department that, in the opinion of the entire Diplomatic Body, there was no treaty stipulation that could afford a just basis for either of these assumptions. The Legation at the same time believed that there was "no present "prospect of reaching a satisfactory "arrangement upon the questions at "issue."

The Department will see that these discussions were of an amicable character; that the parties in interest were sincerely striving to come to an honest and advantageous understanding; that the Chinese, while advancing conclusions which we could not accept, had taken no steps to enforce

enforce them, or in any way to interfere with existing interests, or to hamper the enterprise of foreign merchants. The first move in an unfriendly way was the attempt detailed in the beginning of this despatch, namely the orders of the Taotai of Shanghai, to distroy Mr. Livermore's company. Even this attempt you will see from my despatch, number 43., was taken up by the Legation as a diplomatic question and in a spirit of entire friendship with China, and a desire to come to a good understanding.

All questions at issue were, as I have said, in amicable discussion with the members of the

the Foreign office, with an earnest
desire to come to a just interpretation
of the Treaties, when the Legation was
informed by the Vice Consul
General that an order had been
4/69. issued by the Viceroy at Nanking
for the arrest of the comprador
of Mr. Cretmore's business firm.
The order was issued in secret,
and under its terms, the
comprador was to be taken
from Shanghai to Nanking and
there tried for having taken part
in the Taiping rebellion "by
"giving aid and comfort to the
"rebels". — the Taiping rebellion
having been suppressed in 1865.

The office of a comprador
is peculiar to the East. We have
nothing

nothing like it in Western business systems. The comprador is middleman, interpreter, business representative, confidential agent, the main link between this chief and the native merchants. In the foreign houses the comprador is an important factor. Consequently the proposal to arrest this person was a serious menace to the harmony of Mr. Wetmore's business. "He" 5/69.
"was my boy," says Mr. Wetmore, "when I first came to Shanghai "in 1861, and has served me in "various capacities since, having "been comprador of my present "firm for many years." As to the charge of complicity with the

Taiping

Taiping rebellion, the pretext for the Viceroy's warrant, Mr. Wetmore bears explicit testimony. "I believe," Mr. Wetmore says, "there is not the "slightest scintilla of evidence to "show that he ever aided or abetted "the rebels in any way. I have "ever considered him a most "loyal and patriotic man, & "spending large sums every year "for the poorer classes of his "countrymen. He is most & "charitable and kind hearted". Mr. Wetmore further drew the attention of the Legation to the consequences of the arrest, and his opinions are worthy of careful consideration, coming from a gentleman long familiar with

with the ways and methods of Chinese law. "What chance "would she have" asks Mr. Wetmore, "at hanking before a Viceroy like "Lao, (whose business has been "rebel hunting) and among strangers "who knew nothing of his antecedents, "and confronted with false witnesses "prepared to swear anything. How "could any man without notice of "the specific charges against him, "be prepared on the spur of the "moment to rebut anything that "he might be charged with having "done twenty years ago."

While asking for the protection of his comprador upon the grounds of justice and humanity Mr. Wetmore called attention to the

the injury inflicted upon his business by the issue of the warrant. "Our business", he says, "has suffered by the close "confinement on our premises "which prevents him from going "out and attending to our interests, "and were he removed those "interests would suffer still "more severely, as we have "contracts outstanding under "his control, and many matters "of importance which would "suffer by his removal."

Here was a clear statement of wrongs and grievances which had been suffered by an American citizen, and to which the Legation could not turn a deaf

deaf ear. At the same time there was the extreme delicacy and impropriety of any attempt on our part to interfere between the Chinese Authorities and the administration of Chinese law. The Viceroy, as the ruler of the province, had the undoubted right to execute the will of the Emperor upon Chinese subjects in his own way. Whatever we might think of the barbarous and summary forms of his procedure, under our treaties we had no power to interfere. Nor has it ever been the practice so to do. Chinese subjects charged with crime have never been allowed to take refuge in the foreign

concessions

concessions. If the man had been charged with felony, with *prima facie* evidence of guilt, the order for his arrest would have been approved as a matter of course. I hesitated to take a step that might look like a wanton interference on the part of the United States with the Chinese laws. At the same time I was bound to feel satisfied that the legal machinery of China had not been used to the injury of an American interest.

Laying aside any question of humanity or sympathy for the comprador suddenly summoned from his peaceful calling

calling to a fate that meant
ignominy, torture, ruin, and
death; ignoring the manifest
absurdity of arresting and
trying a man for taking part
in a rebellion which came to
an end seventeen years ago,
I looked at the question solely
as an attempt to injure an
American citizen in his business.
Under our treaties and forms
no Chinese warrant can be
served upon a Chinaman in
the employ of a foreign resident,
or living in a foreign
concession, without the permission
of the Consulate or Legation under
whose flag the foreign resident
finds protection. I therefore
disapproved

6/69. approved of the action of Mr.
Cheshire in refusing to sign
the Viceroy's warrant, and
7/69. instructed him in a despatch
which I enclose not to do so
until he had the further orders
of the Legation. "I cannot," I
said, "see my way to approve
"the service of the warrant
"until I am satisfied that its
"issue is not meant to
"intimidate American merchants
"pursuing a lawful calling,
"and destroy an American
"enterprise which is under the
"protection of the treaty."

The motive for the
proposed arrest of the comprador
was, according to Mr. Wetmore,

do

to punish him for having taken shares in the cotton yarn company, and, by this act of terror, to prevent other Chinese capitalists from doing the same thing. Upon this point the Legation anxiously awaited evidence, as upon it the whole question turned. If the impressions of Mr. Whitmore, had, upon inquiry proved to be only impressions, it would have been the duty of the Legation, however painful, to have withdrawn its objections. Awaiting the result of the inquiry the warrant was held in abeyance, but not disallowed.

Mr. Cheshire, the Vice Consul General, in his

creditable

creditable anxiety to serve
American interests, thought it
would be well to visit Hankow
and have a personal interview
with the Viceroy. A report of
this incident forms an enclosure.
8/69 Mr. Cheshire reached Hankow
on the 22nd of October and
saw the Viceroy, an old man
burdened with years and
infirmities, suffering badly
from various complaints and
who could hardly walk. Mr.
Cheshire asked the Viceroy as to
the origin and nature of the
charges against the compradore
and said he had "reasons to
"believe that they were made
"solely for the purpose of
interfering

"interfering with the cotton yarn
"company." To this the Viceroy
answered that the compradore
had been a rebel and should
be punished, and that the
charge originated "with a
"man connected with the rival
"cotton yarn company". This
was an important point of
evidence as showing the spirit
that had inspired the charge.
The Viceroy then expressed
himself as hostile to all foreign
manufactures "especially where
"machinery was to be used" as
an interference with the manual
labor upon which Chinese
industry mainly depends.
Mr. Cheshire does not appear to
have

have had a satisfactory interview, and before leaving the Viceroy handed him a statement, in Chinese text, setting forth the actual facts in the case of the comprador. While disavowing very properly any purpose of screening a Chinese subject, guilty of rebellion, from the laws, Mr. Cheshire claimed as a right that the case should be tried, according to custom, before the Mixed Court at Shanghai, where our officials could attend and see that justice was rendered.

When the Legation received the despatch in reference to the visit to Nanking I regretted that Mr. Cheshire had gone on

the

the errand without
acquainting me with his purpose,
and I expressed this
fuling in a despatch which 9/69.
I addressed to him
is enclosed. In questions of
this nature, purely diplomatic
in their character and affecting
the relations of the two countries,
my judgment is that we
should know only the central
Government to which the
Minister is accredited. [There is
a disposition on the part of
the Foreign Office to refer the
discussion of questions to Provincial
Authorities. And as this disposition
generally results in evasion,
delay, and the shifting of
responsibility, the experience of
the

the Legation is that it is not for the public advantage.] Mr. Cheshire's visit had this result, that the statement of the viceroy confirmed the impressions of Mr. Wetmore as to the real reasons for the proposed arrest of his comprador, namely, because he had taken shares in a foreign company. It also showed that the viceroy was inimical to foreign interests and enterprises and was determined to suppress them by the use of his provincial authority, [regardless of treaties and treaty rights.]

While, as I said, this interview confirmed the impressions of Mr. Wetmore at

to

to the actual motives prompting the order for the arrest of the compradore, and strengthened the Legation in our refusal to permit it, conclusive evidence was not long in coming. In a letter, dated November 7th, Inv. 10/69 Wetmore details at length the circumstances of an offer from the Chinese to compromise and close his case. In a letter " dated November 4th " Inv. Wetmore informs the Legation that overtures had been made to him "through go betweens" to the effect that if he would give up his pretensions, acknowledge the Chinese monopoly, and wind up his own company,

"they

"they would guarantee the "
"withdrawal of the warrant."

11/69. [I enclose you copies
of this ignominious proposal.
From these it will be seen
that] Mr. Wetmore was asked to
sign a "security note" binding
himself in certain sums of
money to "undertake to close
"and stop at once the Yarn
"rolling company in conformity
"with the monopoly of "
"manufacture already granted
"by China, and to return all the
"money subscribed by shareholders,
"and wind up the company."
Another note was presented
in which the Chinese merchants
in control of the Chinese
franchise

franchise agreed to bind themselves at the penalty of a certain forfeit to petition the viceroy to "close the case" against the comprador, provided Mr. Wetmore abandoned his project.

This extraordinary and degrading proposition made the duty of the Legation clear. [To put the case in plain and homely terms, it was using the forms of Chinese law to blackmail an American merchant.] If the comprador had been guilty of crimes which justified so high an official as the viceroy of Nanking in issuing his warrant, then the law should have

have taken its course. If he had striven to overturn the dynasty and ruin the Empire, it was the duty of the viceroy to have vindicated the supremacy of the law. But when a cold calm offer was made to withdraw the warrant and permit a Chinaman charged with a capital crime to go untried and unpunished, provided his master withdrew his enterprise, there could be but one decision, and this was to confirm the Legation in its resolution and refusal to permit the forms of Chinese law to be used to distroy American interests.

In this conclusion the Legation was confirmed by the unanimous

unanimous voice of the Diplomatic Body in Peking.

Mr. Wilmore declined the proposal, and Mr. Cheshire suggested that the comprador, instead of going to Nanking to be beheaded, should be tried before the Mixed Court in Shanghai. The Chinese accepted this suggestion, and I suppose the case will here end. I cannot but regret that the suggestion was made. [It enabled the Viceroy to escape from a degrading position.] The effect of the reference to the Mixed Court will be to release the comprador. But all the moral and material advantages

12/69.

of

of the controversy remain with the Viceroy. [He cared nothing for the Comprador. He had no object in pursuing him. The Viceroy knew that he had made a false step, and that he had arrayed against him the Representatives of all the Powers. He felt that the result of this would be to compromise him with the Peking Government. By referring the case to the Mixed Court, his responsibility passed away.] In the meantime the Viceroy had carried his point, so far as to paralyze the enterprise of Mr. Watson. He had established a dangerous precedent by showing that it was only necessary

to

to threaten to arrest a foreign comprador, to successfully attack a foreign business interest. We made it known to Chinese investors that any subscription to a foreign enterprise, even when guaranteed by treaty, subjected them to the terrors of a criminal prosecution. And, in the event of our asking the Foreign Office for explanations, we should have for answer, and an answer that could not be gainsaid, that the Mixed Court, in which foreign officials take part, had been allowed to decide the case.

As it was, the position in which the Chinese had placed themselves

themselves, when they made their ignominious proposition, was so intolerable that the Peking Government would have been compelled to disown the whole proceeding.

I expressed this view in a despatch to Mr. Cheshire which I enclose, and again said he must take no step at Shanghai without conferring with the Legation. I instructed him further not to allow any judgment to go into effect until the evidence satisfied the Legation that the accused had fallen within the just province of Chinese law and been guilty of some more serious offence than the purchase

13/69.

of

of shares in Mr. Wetmore's company. I was emphatic in this, because, in all the steps that had been taken, the Legation was in harmony with the Representatives of other Powers, and I deprecated any Consular action that might disturb this harmony. I had no desire to censure Mr. Cheshire who has shown the utmost zeal in the whole business. But the question had assumed diplomatic proportions, and must, sooner or later, be settled with the Foreign Office, and I could not delegate that power to a Vice Consul General or allow him to transfer the responsibility for a serious act of aggression and violence from

from the Imperial Government to a provincial viceroy.

The incident of the proposed arrest of the compradore, [with the odious light it throws upon the whole business,] passes away [and, to my regret, leaves the viceroy free from any but a negative auxiliary responsibility.] I have written about it at length because it will explain to the Department the strange antipathy towards foreigners which animates his course, and because I am anxious that my Government should know clearly and minutely the reasons which led the Legation to take the extreme steps of interfering between

a

a Chinese ruler and a Chinese subject. I am in hopes that the Department will feel that I did no more than use the power of the Legation for the protection of an American interest, and that it was done with a due regard to the rights and susceptibilities of the central Government.

The Legation was so impressed with the gravity of the situation, an impression which, as I have said, was shared by some of my colleagues whose long experience in Peking gave their opinions value, that despatches were addressed to the Vice Consul General instructing him

him minutely as to the course he should pursue. It was important as I have said that the Consulate General should take no step of an important character without consulting the Legation. We were acting in harmony with our colleagues, and [as that strengthened our position with the Chinese Government,] I deprecated any action that might disturb that harmony. [So long as the foreign Powers acted together there was the hope that the Chinese would in time regard our position as just and reasonable. Should dissensions arise the Government would not be slow to see this

advantage

advantage and allow the discussion to drift into an irreclaimable morass of evasion and debate to the permanent injury of American interests. The question was one which had long been considered in Peking and the decision could not be remanded to Shanghai. I expressed the hope that the antipathy to foreigners was but a whim of the haughty Viceroy, a temporary and evanescent caprice which would be disowned at Peking. This hope, however, reviewing the negotiations which I have sketched, rested upon a slender foundation. Accordingly it was with

with alarm but not without surprise that I learned in a private note from the vice Consul General that the Viceroy had issued further orders which showed a continued antipathy to foreign interests.

14/69 Some months since a foreign company introduced the electric light into Shanghai. This invention added a new attraction and a new comfort to this splendid settlement. An order came from 15/69 the Viceroy forbidding all Chinese establishments to use the light and directing the local police to enforce his command.

This was followed by a decree of more serious moment.

The

The American house of Russell & Company has for some time past been engaged in the manufacture of silk filatures. Heretofore the business has never been interrupted, the Chinese allowing it to run unmolested while the question of its legality under the treaties was under discussion in Peking. The viceroy requested the vice Consul General to stop the manufactory, and also asked the British Consul to do the same thing with an English house engaged in the same business. 11/69

I telegraphed Mr. Cheshire that the Legation could not consent to this act of violence and would 7/69

regard

regard its enforcement as another infraction of treaty
18/69 rights. He was directed to call the attention of the Chinese Authorities to the fact that all questions at issue, and, more especially the question of manufactures, were now under discussion with the Foreign Office; that the discussion was proceeding with "amity and a sincere desire "to arrange all differences upon a "basis that would serve the best "interests of all"; and that pending this, the Legation could not but regard it as an act of "discourtesy "for the Provincial Authorities to "interfere with American interests "by acts of violence". I pointed out that

that such a course, so unusual and so marked in its unfriendliness could only give an irritating character to negotiations that should be conducted in the friendliest spirit, and engender complications that wisdom and candor on the part of the authorities would avoid.

I also seemed to be my duty to take another step that I trust will meet with the approval of the Department. There was much excitement at Shanghai. Alarm pervaded mercantile circles. The sudden development of the antagonism to foreign interests, especially in the furtive methods shown by the Provincial Authorities, had

Rint

had generated a feeling of distrust and insecurity. No one could tell what the next move would be. As American Minister, I was in presence of the fact that American interests had suffered more than the interests of residents of other nationalities. I had seen an American enterprise paralyzed and the business of an American firm interrupted by the extreme measure of the arrest of Mr. Wetmore's comprador. As a matter of precaution, I thought it wise to explain the situation to Rear Admiral Letitz commanding the American squadron in Asiatic waters. This was done in a confidential letter, dated

November

November 24th 1882. Herewith 19/69.
inclosed. I recited to the Admiral
in detail the succession of
incidents enumerated in this and
preceding despatches and their
import as affecting American
interests. I explained to him the
position of the Legation so far
as our own maintenance of
treaty rights was concerned. While
I was reluctant to do anything
that might look like interference
in Chinese affairs, we could
not allow the machinery of
Chinese law to be used against
our citizens. I repeated to him
the opinion prevailing in
diplomatic circles that the "present
"crisis was the most critical
that

Brit

"that had been known in China
"since the treaties were signed." I
felt that should the Admiral, in
the course of his naval movements,
have occasion to visit Shanghai,
he should know the true position
of affairs, and that, if it were not
inconvenient, it might even be
well to call at Shanghai and
make a short stay. "The
"presence of an American man-
"of-war," I continued, "during
"the complications, would serve
"our interests, and strengthen the
"Legation in its discussions with
"the Foreign Office."

While the Legation does not
entertain any apprehension as to
events at Shanghai, and therefore,

as

as at present advised, will not ask the Admiral for a vessel, I am in hopes that he will see the advantage of being in a position, where, should the local authorities continue to commit acts of violence against " American interests, he could protect them, and strengthen "our protest against the violation "of treaty rights." In order that there might not be the appearance of menace on our part towards the Chinese, I finally requested the Admiral to keep the advice of the Legation a secret, and should he, or any of his officers think well to follow it, to treat " the "visit as only an ordinary "

incident

Rust

"incident in a winter cruise
"along the Chinese coast."

The Department will
20/69. note in the correspondence between
the Taotai and Mr. Cheshire in
reference to the suppression of
the silk filature business of
Russell & Company a change of
ground by the authorities in
Shanghai as to their motives
for suppressing foreign
industries. When the decree
was issued forbidding Mr.
Bethune to proceed with his
company, the argument of the
Chinese was as I explained above,
that Mr. Bethune was invading
a monopoly granted by Li
Hung Chang to a native company
for

for the manufacture of cotton cloth. The Taotai held that the making of yarn was virtually the making of cloth, and that the Imperial Government, in granting this monopoly was, to use his own illustration, following Western precedents, and especially the patent laws of many Western nations. The Legation differed from this view, and held that the spinning of yarn and the weaving of cloth were separate industries. We questioned whether, under the treaties, it was within the province even of the Emperor to grant the monopoly claimed by the Chinese company. At the same

same time, I felt that the arguments of the Taotai embodied legitimate grounds for differences of opinion. We might convince the Yamen that the Taotai was wrong. The Yamên might convince us that the Legation was in error. In that spirit, a spirit of inquiry and courteous protest, the Legation addressed the Foreign Office, feeling that the question was simply how far should we respect the monopoly granted by Li Hung Chang and how far such a monopoly was consistent with the Treaty when it affected American interests. The Legation entered into this discussion willing to be convinced

if

if our predecessors were wrong.
If Mr. Wetmore, or any other
American, had invaded the
privileges of a Chinese subject,
if his company was a violation
of Chinese law, it would not,
however much we might
regret the loss or the
inconveniences to that gentleman
have been to the dignity or
honor of the Government to
have maintained his claims.
The decrees against the silk
filature manufactory and the
electric light, however, showed
that the true ruling of the Taotai
was not the protection of his
cotton monopoly, but the
expression of a general policy
of

of antagonism towards all foreign industries in the open ports.

For the first time, therefore, in this long discussion of treaty rights to manufacture, the Diplomatic Body was brought face to face with the resolution of the Government to forbid any form of foreign industry and to enforce the interdict by acts of violence. It was no longer an amicable controversy in Peking construing the meaning of Chinese characters, debating the etymology of French nouns and verbs, & seeking out hidden and strained constructions of treaty sentences, but

but a body of officious "
subordinates, assuming offensive
authority, bidding policemen to
arrest Chinamen who had
dared to purchase shares in "
foreign companies, and asking the
foreign merchants not only to
cease from the enjoyment and
performance of their treaty rights,
but to become spies and "
informers, and render up to
the terrible relentless forms of
Chinese justice, all Chinamen
who had shown enough
confidence in their mercantile
honor to share in their "
enterprises.

Sec 37 80.

The question which still
remained unanswered, although
the

the answer was sought with earnestness was:— How far did the acts of the Shanghai officials represent the will of the Imperial Government.s
The observation of Mr. von Brandt on his visit to the Yamên, to which reference has been made, is worthy of note. There was still the impression in Peking, in diplomatic circles, that the policy of repression in Shanghai was the caprice of Lso Chung tang the Governor General at Nanking. Lso is an old man whose career has been successful and eminent. He returned from the Kuldja frontier where he had been in command

of

Brief

of the Chinese army with a great reputation as a warrior and statesman. By general consent he was ranked among Chinese subjects as second to Li Hung Chang. The enemies of Li were too glad to give Tso the first place. While Li Hung Chang came to be considered as the representative of the liberal party in China, and, whether justly or not, as the head of the progressive element, Tso became the champion and the hope of conservatism, of all who believed that nothing new was good, and that the world had not learned any truth worth knowing since the days of

Confucius

Confucius. Old age, the surfeit of power, the pressure and wear of responsibility, bodily infirmities, which, as was seen too clearly during the viceroy's stay in Peking, had affected his mind, all may have contributed to make him the tool of a faction, which, partly from envy of Li, and partly from a rooted dislike to foreigners, was only too glad to use his name as an emblem of their cause and a rallying cry for their supporters.

Although these offensive mandates were issued in the name of the viceroy, and while no doubt they represented the prejudices of

of a clouded intellect remembering nothing but what it would have been better to have forgotten, there came indications from provinces beyond the viceregal dominion showing that anti-foreign influences were at work in other parts of the Empire, and confirming the impression [of Mr. von Brandt] that the new policy was the inspiration of the Government. While the Legation was considering the news that the viceroy had put under ban the electric light at Shanghai, it was informed of a new incident at Amoy. The German Consul telegraphed his Minister in Peking that the

Chinese

Chinese authorities had forbidden a German subject at Amoy to continue his manufacture of iron ware and forcibly closed the works. The German Minister telegraphed the Consul to reopen the works, the manager to enter a bond to make good any damage that the Chinese might maintain against him.

In an interview between the German Minister and the Foreign Office the Legation was informed that the Chinese Ministers denied all knowledge of the incident at Amoy. They said furthermore that they had not heard of the order in Shanghai suppressing

suppressing the electric light, and were not disposed to believe the story, as the Taotai was an enlightened man, having been in Europe, and that, knowing all about electric lights and other useful inventions, he would rather welcome than reject them.

When the Minister, however, asked the Foreign Office to "telegraph an instruction to Amoy and other ports to prevent a renewal of the oppressive interdicts against German subjects, the answer was that such a way of procedure was not customary in China. The Minister then replied that if the Chinese Government could not find

find a way to protect Germans who were in the harmless enjoyment of treaty rights, he would do so himself and put upon the Chinese Government the responsibility for all the consequences.

In our discussions and correspondence arising out of this complication, the Legation has never assumed that there was any intentional unfriendliness on the part of the Government. I never lost sight of the undoubted right of China to do what she pleased with her own. I was ready, if any representation was made as to the harshness or the burden of

of a treaty, to unite in asking the Government for amendment or remedy. We pursued this course with China when we made the Convention on the emigration question and would not decline the same office if sought at our hands. I have cherished the hope that the result of the conferences between China and the foreign Representatives would be to the advantage of China in persuading the Ministers to adopt more enlightened measures affecting commerce. I have observed with pleasure in reading the minute and elaborate narratives of the discussions between the Foreign Office and my predecessors

predecessors and other foreign
Ministers, in the archives of the
Legation, that the spirit inspiring
the counsels of the Ministers
has always been friendly to China,
animated by a desire to serve her
best interests, and showing a
wisdom and foresight. To
bring China abreast of Western
civilization, to develop the wonderful
resources of her territory, to
enable the Government to appease
famine, stifle pestilence, and
subdue rebellion, to encourage
her enterprise and skill, and
in every way confer upon the
people the benefits of a sound
and practical civilization, this
seems to have been the constant

aim

aim of the Representatives of foreign Powers.

Why should China, therefore resist advice that redounds to her advantage, even to the extent of permitting an infraction of treaty rights and acts of violence towards an American interest.[6] It is impossible to answer this question without entering upon a study of the character of this contradictory and perplexing race, a study which for generations has attracted the attention of scholars and statesmen. An interesting illustration of the methods of Chinese reasoning, especially the reasoning which inspires the policy

policy which the Legations are now resisting will be found in the despatch addressed by the Taotai of Shanghai to our Acting Consul General in reference to the suppression of the silk filature of Russell & Company. The Taotai says that one half of the population of the provinces of Kiangsu and Chekiang are engaged in farming and the other half in weaving silk. These provinces are among the most populous in the Empire. Kiangsu, with a geographical area about the same as Pennsylvania has a population of over thirty seven millions. Chekiang, a province

a

a fraction smaller than Ohio, has over twenty six millions, a density which will be more readily appreciated when we remember that, in Kiangsu this gives 850 souls to the square mile and an average of 671 in Chekiang. The government of a population so vast and so dense, one half of which depends for bread upon silk weaving, is a task that might perplex any ruler. The Taotai accordingly expresses the fear that "should "foreigners introduce and use "machinery for the purpose of "weaving silk, the difference "between the amount of work "done by manual labor, and that done

"done by machinery being very
"great, the latter system it is
"feared would render the Kiangsu
"and Chekiang people helpless, which
"would be very detrimental to their
"interests."

There is something
plaintive in an argument of this
kind, and, however much we
may feel that it is based upon
an erroneous conception of the
laws of political economy, we
cannot help feeling that the
minds of the Chinese rulers
are governed by the same process
of reasoning which led the
weavers in England to destroy
the first steam power looms,
and which we see every day
among

among laboring classes in the presence of new labor saving inventions.

The Taotai further points out that as an export the silk trade is of the first importance to the Chinese revenue. Foreigners had never engaged in its manufacture, and, for them to do so now, would not only deprive Chinese "who depend on silk reeling of "their means of support" but divert revenues from the Imperial Treasury. Moreover", continues the Taotai in a pathetic emphasis of his argument, "the Chinese who depend upon "reeling silk and weaving silk goods

"goods for their support, are
"countless in number, and they
"would be in a pitiable plight
"if they were suddenly deprived
"of their employments and the
"means by which they obtain
"their support", and that "the
"question of the support of such
"large hosts of people it is
"feared, under the circumstances,
"will lead to trouble and
"complications". The Taotai
expresses his opinion that the
foreign firms which introduce
machinery are acting as secret agents
for certain evil minded Chinese
capitalists, and he asks that the
names of these Chinamen be given
to him that they may be arrested

and

and committed for trial. In other words, an American official is expected to aid the Chinese Authorities in punishing Chinese subjects for taking shares in an American enterprise. The The Taotai further pointed out that, after a careful reading of the Treaties he could find no warrant for the foreign industries. Evidently the Taotai adopted the Imperial construction of the covenants I quoted above, and believed that when the Treaty Powers and the Emperor solemnly agreed to allow foreign industries in the open ports, their real meaning was that Chinese could hire foreigners, or foreigners

foreigners hire Chinese to do their work, but that the results or profit of such work should not inure to them in the way of trade.

This communication from the Taotai to the Vice Consul General is worthy of the careful and respectful consideration of the Department. It shows, I think, that the Chinese authorities are really struggling with problems in the government of densely peopled provinces, problems in the guidance of labor, trade, commerce, and redundant population which have embarrassed the statesmen of more civilized Powers. While doing all we can to convince them

them of the errors of their reasoning, we cannot but sympathize with their anxiety. This sympathy, however, does not permit us to view with any less concern the attempt to interfere with our conceded treaty rights by acts of violence. So, in presenting the subject to Prince Kung, the aim of the Legation has been to point out in clear terms the injustice of the whole proceeding its discourtesy and wrong. We have constantly said that the Government wished to hold enlightened and friendly relations with China, and that we desired an intercourse the benefits and advantages of which were

were reciprocal. If any convention existed which experience showed bore with undue stress upon the Chinese and was injurious to them our Government would consider in the friendliest spirit any statement China would make. The Legation has constantly cherished the hope that the discussions and conferences now so long in progress between the Foreign Office and the Diplomatic Body would convince the Chinese Authorities that the fears of foreign competition so pathetically expressed by the Taotai of Shanghai were founded upon a wrong conception of the laws of industry and prosperity, and

and that so far from the introduction of machinery, as in the reeling of silk, proving a detriment to the people, or imperiling their means of livelihood, experience would show in China, as it had done in England, France, and America, that it would add to their comfort, their worldly advantage, give them surer and better means of livelihood, and materially increase the Imperial revenue. That to carry out the crude and crude ideas of the Taotai would be to recede and not advance in the path of civilization. Whether this hope is to end in disappointment or otherwise, the Chinese Authorities, if

if they follow our arguments, cannot fail to see that, for a provincial authority, while these conferences were proceeding, to interrupt them by an act of violence towards an American merchant, to the serious injury of his business, to his annoyance, discomfort and pecuniary loss, was a most unfriendly act, and could not fail to be regarded as such by my Government. If the treaty was disadvantageous it should be amended. So long as it was a treaty, the honor of His Majesty as well as of my own Government was involved in its faithful observance. Following this line of thought the Legation has contented itself

itself with asking from the Chinese Government an investigation into the acts of the Provincial Authorities. My hope is that the Legation will be able to report that these acts of violence have met with the severest censure, that they in no way embodied the Spirit or the policy of the Government, and that henceforward American merchants would not be molested in the enjoyment of their due and lawful rights.

I am afraid I have written you at wearisome length upon this incident, but its gravity must be my excuse. I have given you its history from the

the beginning, and if I have made my meaning clear the Department will see that the situation is full of embarrassments. How far the Government will press its policy, which, although apparently new, will seem from my narrative of our diplomatic negotiations to be a slow but steady growth, is a problem. If the position taken by the Foreign Office is maintained and accepted by the foreign Powers, then our treaties are of no more value, so far as the rights of merchants in China are concerned, than so many ropes of sand. If the right to engage in honest labor and to enjoy the profits of

that

that labor is denied to day, the right to buy and sell may be denied to morrow. These rights withdrawn, foreigners can have no interest in China, except those who come for study, observation, amusement, or instruction. Settlements like Shanghai which have grown into imperial splendor and wealth in a few years, as a consequence of a generous commercial system, and which have added so much to the prosperity of the Empire, will shrink up and vanish like the great cities of the Mediterranean, which were the glory of the early days, and whose fame only lives in

in the romance and tradition,
which tells of Carthage and Tyre.
China will lapse into the dark
ages, no longer a living active
influence but sluggish, inert, and
dead, a prey to internal
dissensions, and external schemes
of aggrandizement. There are
statesmen in China who cannot
fail to see this among the other
consequences of a course which
has already arrayed against the
Foreign Office the whole Diplomatic
Body. My hope is that the influence
of these men will be felt in the
Imperial Councils, and that the
complication may result in a
recognition by China of the true
principles which should govern
intercourse

intercourse among nations.
Such a result would be a
happy consequence, and nothing
will do more to bring it about,
and to give these statesmen the
weight in Chinese affairs
which their wisdom and foresight
justify, than that the foreign
Governments should resist, by
every species of argument and
persuasion, the reactionary
tendencies now in force, and,
when these tendencies degenerate
into a policy of violent interference
with vested and protected
interests, as we have seen at
Shanghai, to make it clear to
the Government of China that
such a policy must be regarded
as

as an unjust proceeding and can only be persisted in at the peril of all relations of alliance and friendship.

I have the honor to be,

Sir,

Your obedient servant.

Mr. Russa Young.

Enclosures.

1. Prince Kung to Mr. Young
   99/1882. October 18th, 1882.
2. Diplomatic Body to Prince Kung
   110/1882. November 17th, 1882.
3. Mr. Young to Prince Kung
   112/1882. November 23rd, 1882.
4. Mr. Cheshire to Mr. Young.
   Informal October 18th, 1882

5. Mr. Wetmore to Mr. Young.
Informal. Oct. 19th — 31st, 1882.
6. Mr. Young to Mr. Cheshire
Telegram. October 28th, 1882.
7. Mr. Young to Mr. Cheshire
No. 17. October 28th, 1882
8. Mr. Cheshire to Mr. Young.
No. 117. October 31st, 1882.
9. Mr. Young to Mr. Cheshire
No. 18. October 31st, 1882.
10. Mr. Wetmore to Mr. Young.
Informal. Nov. 4th & 7th, 1882.
11. Security Note — in English
and Chinese.
12. Mr. Cheshire to Mr. Young.
No. 119. November 9th, 1882.
13. Mr. Young to Mr. Cheshire
No. 23. November 21st, 1882
14. Mr. Cheshire to Mr. Young
Informal.

Informal. November 11th, 1882.

15. Electric Light Notification.

16. Mr. Cheshire to Mr. Young.
Informal November 16th, 1882.

17. Mr. Young to Mr. Cheshire.
Telegram. November 22nd, 1882.

18. Mr. Young to Mr. Cheshire
No. 24. November 23rd, 1882.

19. Mr. Young to Admiral Edits
44/1882. November 24th, 1882.

20. Mr. Cheshire to Mr. Young
No. 122. November 24th, 1882.

21 Sundry newspaper extracts.

Despatch No. 69.
Enclosure 1.

99/1882.

Prince Kung to Mr Young.

Your Excellency.

I have had the honour to receive your despatch of the 13th instant, stating that you are in receipt of a report from the Acting Consul General at Shanghai to the following effect.

Certain Americans and other foreigners had formed a company at Shanghai for the manufacture of cotton yarn. After the shares were allotted and arrangements made for the purchase of machinery, just as they were ready to

begin

begin operations, an apparently official notice appeared in a Shanghai Paper forbidding the organization of the company. The Acting Consul General at once appealed to the Customs Taotai who not only confirmed the Chinese newspaper notice but added that he had forbidden Chinese merchants to take shares in the new company. After repeated and unsuccessful efforts to induce the Taotai to reconsider his action, the Acting Consul General has sought your intervention, etc. etc. etc.

This office has given careful consideration to your despatch

patch, and is of opinion that the Customs Intendant in his course in the case has not violated the treaty at any point. Your Excellency is requested to carefully consider the following arguments.

P4 Silk and cotton form the principal Exports from China. The treaties negotiated between China and the several foreign Powers plainly provide that foreigners may trade or pursue their avocations, without hindrance of any kind from the local authorities at the ports open to foreign trade. Now, how by the Expression "may trade" is meant that they

they may traffic in or import or export all foreign and native merchandise. The phrase "may pursue their avocations" means that Chinese and Foreigners may reciprocally employ either foreigners or Chinese as assistants or labourers at their own option and desire. A careful review of all treaty stipulations fails to show any stipulation permitting foreigners to manufacture native products at any of the ports in China. In connection with this subject the Foreign Office has many times discussed with Mr. Von Brandt, the German Minister, a code of Regulations

ulations for native produce. Upon the point of native produce manufactured at the port, up to the present time, no arrangement has been reached. It certainly appears that the manufacture by foreigners of native products at the port interferes with the revenue and hinders the commercial operations of native merchants.

The present formation of a company by foreigners at Shanghai and the purchase of machinery for the manufacture of thread by which raw silk intended for export is manufactured into another form of merchandise has the effect to deprive Chinese

subjects

subjects of their means of livelihood, and diminishes the revenues of the Government. And since there is no plain treaty provision permitting such manufactures it cannot be said that the Customs Intendant violated the treaties in forbidding foreigners to engage in them.

Still further, some time ago the Northern Superintendent of Foreign trade granted a monopoly for a period of ten years to a Chinese company at Shanghai for the manufacture of cotton cloth by machinery, authorizing Chinese to take shares in this company, but

but forbidding them to establish another. His action was laid before the Throne and received the Imperial approval. It will be seen that this was the first attempt made by Chinese to organize a company for the manufacture of cotton cloth by machinery. And certainly such an attempt should be fostered and protected for a term of years in order that it might gradually become profitable. If other Chinese were allowed to establish companies for the same purpose the first company named would meet with competition and then it could not be established and become strong.

Since

Since then Chinese are not to be permitted to form other companies; how, on the other hand can this privilege be conceded to foreigners.

The cultivation of the soil and weaving are occupations which closely concern the lives of the people. In that which relates to their means of livlihood the Government cannot fail to render them its support. Under the same circumstances in your own country Your Excellency would with great carefulness follow a similar plan.

In the Memorial referred to above it was stated that there was in all Western nations a

universal

Universal statute providing that in the case of any new invention not before existing in the country concerned the discoverer was given the exclusive right to manufacture it for a certain number of years. Thus the plan adopted at Shanghai agrees with that pursued in Western countries.

In reference to your observation that Chinese have established themselves in all parts of the United States in many branches of commerce and manufactures from which they have derived large profits, I beg to remark that the good treatment shown by your Government

to

to the Chinese is known the world over and this Government is constantly in deep gratitude for it. But Chinese who have gone to other lands have not always been able to secure invariably the same privileges and immunities which are secured to foreigners who may come to China.

In a word, the plain language of each article of each treaty must stand for law. And as Your Excellency adverted to the treatment accorded to Chinese in the United States, it seemed best to make the comment given above.

Hon

Honorable John Russell Young

Sec. — Sec — Sec — Sec —

Peking, October, 18th, 1882.

Despatch No. 69.

Inclosure 2.

To,

His Imperial Highness
Prince Kung and their Excellencies
the Ministers of the Tsungli Ya-
mên.

Peking, 14th November, 1882.

On the 10th of November, 1879
the Representatives of Austria-Hun-
gary, Belgium, Denmark, France,
the German Empire, Great Britain,
Italy, the Netherlands, Peru, Ru-
Russia, Spain and the United States
had the honour to forward to His
Imperial Highness Prince Kung
and their Excellencies the Minis-
ters of the Tsungli Yamên, a

note

note in which while enumerating a certain number of subjects, to which for one reason or another they considered themselves entitled to demand attention, they expressed the hope that a joint consideration of the points mentioned would bring about a satisfactory understanding.

In consequence of this note and further pourparlers and arrangements ever since May 1880 Sir Thomas Wade and Mr von Brandt have been engaged in negotiations with the Tsungli Yamên referring more especially to trade inwards and outwards, without however arriving at any practical result.

This

This would be in itself sufficiently to be deplored but in the course of the negotiations pretensions have been put forth by the Ministers of the Yamên which claim the earnest attention of the Undersigned and render it necessary for them to leave no doubt to the members of the Yamên of the impression produced by them on their mind and the consequences which an attempt of the Chinese Government to put into practice the theories thus professed, would undoubtedly entail.

The theories to which on the one or the other occasion the Tsungli-Yamên has given expression may be shortly summarized thus:

that

that foreign merchants had not the right to trade in native produce but were only allowed to buy it for purposes of Exportation and

that foreigners at the Open ports were only allowed to trade but not to follow industrial pursuits.

With regard to the second point the reading of several of the treaties concluded with China is clear and precise.

Articles 4 of the French treaty of 1858, 6 of the German treaty of 1861, and 11 of the Belgian treaty of 1865 state Expressly that the subjects of these powers shall be allowed to Exercise commerce and industry at

the

the open ports.

The Ministers of the Yamên attempt to do away with this stipulation by pretending that the Chinese term of "kung tsao" used for "industry" signifies only that Chinese and foreigners may reciprocally employ either foreigners or Chinese as assistants or labourers at their own option and desire.

The Chinese term as explained in the dictionary edited by the order of His Imperial Majesty's ancestor does certainly not bear out this statement, on the other hand the right to hire and use Chinese for all lawful purposes is guaranteed to foreigners by other articles of the above mentioned

-tioned treaties, viz: art. 11 of the French treaty and art. 9 of the German treaty. It is however not necessary to refer to these articles or to discuss the signification of the Chinese term employed as the French treaty as well as the German one contain in articles 3 and 5 the stipulation that in case of divergencies in the interpretation of the different texts the French text shall be considered as the original one.

Your Imperial Highness and Your Excellencies will certainly have no difficulty in convincing themselves that the French expression "de livrer au commerce

et

"à l'industrie" has not the signification which the Yamên attempts to give to it, but means so far as the terme "à l'industrie" goes that the subjects of the two powers and therefore those of all the treaty powers shall have the right within the limits of the open ports, to establish all kinds of industrial enterprises and to work them.

With regard to the first point, the pretensions of the Yamên that foreigners are bound to export the treaties are equally clear. On paying the same inland charges as the native pays the foreigner is at liberty to trade in native produce where and howsoever he likes as subject

subject only to the stipulations contained in the treaties and the duties fixed by them or subsequent mutual agreements. The obligation to export exists only for goods brought to the port under transit-pass and it has been introduced in this case to protect the native owned goods which have not had the benefit of transit passes against the disadvantage which would result to their owners from such a discrimination. This is the view borne out by the treaties and professed by the Yungli Yamên itself until a short time ago.

The undersigned therefore though animated by the earnest wish to

remove

remove the subjects of complaints existing on both sides and willing either to agree themselves to or to recommend for the acceptance of their respective Governments any fair proposals which may tend to this end, must protest most energetically against the attempts made by the Tsungli Yamên to dispute and contest the clearest stipulations of the treaties; they cannot accept any interpretation of their provisions tending to create for the foreign merchant in China a position which would leave him an agent for the importation of foreign and exportation of native goods but would forbid him all

other

other commercial and industrial pursuits even within the narrow limits of the open ports.

This pretension on the part of the Ministers of the Yamên is so much more strange as not only Chinese subjects enjoy in other countries all the rights which the Yamên attempts to deny to foreigners in China though expressly stipulated for by the treaties, but as the Chinese Government themselves in their negotiations with Foreign Governments claim for their subjects the enjoyment of these advantages not as a favour but as a right.

Your Imperial Highness and Your Excellencies will allow

the

the Undersigned to make use of this opportunity to draw their attention to some other facts, which unless remedied are likely to create serious difficulties.

For a short time past provincial authorities have on more than one occasion granted monopolies to persons or companies and as a consequence of these grants have used means which in some instances must be characterized as illegal, to protect the persons or companies so favoured. The Tsungli Yamên when appealed to on this subject has answered that the action taken by the Chinese authorities was the same

as

as that used by foreign Governments in granting patent rights.

This statement is evidently based upon a misunderstanding of the case. Patent rights are granted by foreign Governments to persons making a new invention or inventing an iinprovement to something existing already; they are granted under special legislation by an office created for the purpose by the central Government and only after a careful and searching investigation into the professed invention by competent persons.

No objections would be raised by the Undersigned if a similar

-ilar institution was introduced in China provided it offered the necessary guarantees which legislation, the supervision of the central Government and the scientific and practical efficiency of the persons composing the patent office alone can give, but the Undersigned would not feel themselves in a position to recognize or respect so called patents issued by provincial authorities without these guarantees.

The steps taken however, by some of the provincial authorities and complained of by the Undersigned cannot be ranged under patent rights but must be classed

as

as monopolies; i.e. measures which with the exception of certain monopolies reserved to the Government similar to the salt monopoly in China, are never resorted to by foreign Governments.

It is not the business of the Undersigned to meddle with the internal administration of China. They may regret that the Chinese Government instead of trying to foster trade and industry by giving them full liberty and by protecting them against official interference and exactions crushes every attempt at developing the internal resources of the country by loading

ing

-ing the new branch of industry or commerce with duties and tapes. or preventing the people from following it, by granting a monopoly to a few officials or speculators, the Undersigned may regret this state of things but they have not to interfere in these questions. Where their right of protesting against the measures taken by the provincial authorities begins is when the lawful interests of foreigners are violated by open or secret attempts on the part of Chinese officials to prevent Chinese from associating themselves with foreigners in commercial or industrial undertakings under pretext that monopolies

opolies have been granted by provincial authorities for the extent of the whole Empire.

The Undersigned beg to draw the earnest attention of His Imperial Highness and their Excellencies to this state of things and to the results which must inevitably follow not only from such interference with trade and industry under which the Chinese people themselves will suffer most but also from the usurpation of rights belonging to the central Government only, by provincial authorities.

When in 1864/1868 the Chinese Mission was despatched to the treaty powers it was instructed by

by the Chinese Government to demand that questions referring to the execution of the treaties and the interests of foreigners generally should in future not be settled with the provincial authorities but by a direct appeal to the central Government and by negotiations with the Tsungli Yamun.

The justice of this demand was recognized in principle by the Governments of the treaty powers and ever since the epoch mentioned the Representatives of the treaty powers as well as these latter themselves have faithfully observed the rule so laid down. But the undersigned cannot but draw the attention of His Imperial Highness Prince Kung and their Excellencies

6

-cies to the fact that not only in the course of the current business, engagements taken by the Tsungli Yamên with reference to questions having arisen in the provinces are not always carried out by the provincial authorities but that the attempts of these latter to arrogate to themselves such rights as can properly belong only to the throne, make the position of the Representatives of the treaty powers accredited to His Imperial Majesty a very difficult and delicate one and one which urgently demands redress and attention.

While reiterating to His Imperial Highness and to their

Excellencies

Excellencies the expression of their sincerest wishes that the pourparlers which Mr von Brandt shall continue to have with the Yamên on the question of trade outwards and those on trade inwards for which they depute on their part in the place of Sir Thomas Wade. Her Britannic Majesty's Chargé d'Affaires the Honourable T. G. Grosvenor, will lead to a speedy understanding on both questions, they beg to draw the earnest attention of His Imperial Highness and their Excellencies to the considerations which they have had the honour to lay before them in this note.

The

The Undersigned seize this opportunity to renew to His Imperial Highness Prince Kung and their Excellencies the Ministers of the Tsungli Yamên the assurances of their highest consideration.

Despatch No. 69.
Enclosure 3.

No. 112/1882.

Mr. Young to Prince Kung.

Peking, November, 23rd, 1882.

Your Imperial Highness,

I have had the honour to receive your despatch of the 18th of October in response to mine of the 13th of the same month in the matter of the company established at Shanghai by certain citizens of the United States for the manufacture of Cotton Yarn.

In this response Y. I. H. maintains that the Intendant of Circuit at Shanghai in his action in endeavouring to suppress the Company had not violated the treaty at any point. And Y. I. H. proceeds

to

to say that the treaties negotiated between China and foreign powers contain no stipulation permitting foreigners to manufacture native products at any of the open ports in China. Y. I. A. contends that the phrases "mao yi" and "kung tso", found in several of the treaties only mean (1st) that foreigners may traffic in or import or export all foreign and native merchandise, and (2nd) that Chinese and foreigners may reciprocally employ either foreigners or Chinese as Assistants or labourers at their own option and desire.

Y. I. A. declares that the Cotton Yarn Company, if established, would interfere with a monopoly granted by

N. E.

H. E. Li, and confirmed by the Throne.
And you conclude by remarking that
the plain language of each article of
each treaty must stand for law.

In response I beg leave to express
my entire concurrence with this final
statement of Y. I. N. Indeed it was
only because I believed that the Customs
Intendant at Shanghai had violated
the plain meaning of one article of the
treaty that I first appealed to Y. I. N.
in the case. The only desire of this
Legation or of the Government which it
represents is to see the plain language
of each article of the treaties regarded
as law binding equally upon both par-
ties, and as such faithfully and
fully observed.

But,

But, in order to avoid prolonged and unnecessary discussion, I feel it my duty to inform H. I. M. frankly and at once that the interpretation placed upon the word "Kung tso" in the despatch now under reply is one which will in no event be accepted by the Government of the United States. The interpretation of this word as given by H. I. M. does not appear to be consistent with its plain meaning as given in the Dictionary compiled under the command of H. I. M. Kang-hsi, Be that as it may that interpretation is totally at variance with the perfectly plain and indisputable meaning of the equivalent foreign Expression used

in

in the treaties in which the word "Kung tso" occurs. I need hardly remind U. S. A. that, by a provision contained in those same treaties, in cases of difference of interpretation of the two texts, the foreign version is to be held as authoritative and final.

The word "industrie", used in the several treaties as the equivalent to the Chinese word "Kung-tso", is exceedingly broad in its signification and covers all the different callings and pursuits in life which men are accustomed to follow. Under its plain and indisputable meaning foreigners of all classes have the same liberty and freedom of choice as to what

what they shall do that they would have in their native lands, with but one limitation which confines such operations to the ports in China which are by treaty open to foreigners.

Hence under the plain provisions of treaty foreigners have a right to establish manufactures at the open ports in China, and this a right, so far as my countrymen are concerned, I am bound to insist upon and maintain.

As to the remark of H. I. H. that the Cotton Yarn company, if established, would interfere with a monopoly granted by H. E. Li and confirmed by the Throne,

I

I can only reply by repeating what was said in an earlier despatch, "that treaties form the supreme law "of the land in each of the two countries "between which they are concluded and "that neither local regulations nor the "regulations of the Supreme authority I "itself can be allowed to curtail or con- "travene the privileges secured by them. "Under this principle the monopoly re- "ferred to is void and of no effect, as it "interferes with the treaty provisions- "mentioned above."

If further evidence to the mean- ing of the phrase be needed it is found in the fact that the employ- ment of compradores, assistants and labourers of every class by foreign-

ers

is specifically provided for in a different article in the several treaties, and hence could not have been referred to in the expression under dispute.

In conclusion I beg to observe that it is no part of the intention or desire of my Government to interfere with the revenues of His Imperial Majesty nor the industrial pursuits of His subjects. Nor can I perceive that a proper interpretation and just enforcement of the treaties would serve to produce either of these results.

I have &c

(Signed) John Russell Young.

Despatch No. 69.
Enclosure 4.

Encl. in Despatch of the following

Mr Cheshire to Mr Young.

Encl 1 - Shanghai, Oct. 18th, 1882

Dear Mr Young.

I shall send you in a few days some correspondence relating to the action of the Chinese Authorities here toward Mr Holmes Compradore and another native who hold shares in his Cotton Yarn Company. The Viceroy at Nanking issued a few days ago a secret order for the arrest of these men who are charged by nobody with smuggling and assisting the rebels. The warrants for their arrests were presented to me which I declined to visé for reasons which I think will

will meet with your hearty support and approval. I shall send you copies of the correspondence as soon as I can have them properly prepared. I have been busy for the last three days about this matter and have not much time for other work.

. . . . . .

I am very

(Signed) F. D. Chesbro

Encl
No. 113.

Mr. Cheshire to Mr. Young.

No. 113.

Shanghai, October, 20th, 1882.

Sir,

I have the honour to inform you that a few days ago the Taotai rec'd a secret despatch from His Excellency Teo Chang Yong, Viceroy at Nanking wherein he was instructed to arrest Wang Ko Ming Compradore to the firm of Messrs. Frazar & Co., and Yü Shao Shan a Chinese merchant at this port, and send them to Nanking. The charges brought against these men were based upon mere rumours only, the former with assisting the rebels over twenty years ago

and

and the latter with evading the payment of Tekin duties by assuming the name of a foreign Merchant. The Mixed Court Magistrate transmitted the warrant for the arrest of these men, and requested me to visi same, which I declined to do.

I inclose copies of Magistrates letter and my reply to same.

The Taotai then addressed a despatch to me making a similar request wherein it pleased him to erroneously quote the 18th Article of the United States Treaty, but he failed to carry his point, upon the very

same

same article of the Treaty which I quoted, as per original text, as a basis for my refusal to visé the warrant, and I also referred him to the Mixed Court Regulations.

As it is a matter of great importance to the mercantile interests of this port, especially as American interests, I deem it advisable to have an interview with Teo Chang Yong at once, and I shall therefore proceed to Nanking to night for that purpose.

On my return next Wednesday, I will then communicate with the Legation more fully upon the subject. I may say that there is strong suspicion that

these

these charges are false, and were brought against these men by certain parties connected with the Shanghai Cotton Cloth Company, for the reason that they are shareholders in Mr. Belmore's Yarn Company.

I have &c.

(Signed) J. D. Cheshire.

Vice Consul General in charge.

— Enclosures. —

No. 1. The Mixed Court Magistrate's despatch to Mr. Cheshire

No. 2 Mr. Cheshire's reply to the Mixed Court Magistrate's despatch.

Chen. Mixed Court Magistrate to

Mr. Cheshire.-

Shanghai, October, 14th, 1882.

Sir,

I had the honour yester-
day to receive a secret despatch
from Tso, Minister Superintendent
of Southern Trade, transmitted to
me by the Taotai, with instructions
to arrest Yü shao shan, a native of
Shang yü, who falsely assumed
the name of a foreign merchant
in order that he might smuggle
or evade the payment of the Lekin
rates, and also to arrest Wang-
Koh-ming, a Ningpo man,
compradore to the foreign firm

of

of Frazar & Co., who lent assistance to the rebel authorities; and to send them to Nankin for judicial examination.

On inquiry it was ascertained that Wang-Koh-ming is in the employ of an American merchant.

Herewith I present the warrant and beg that after having examined the same you will affix your official seal to it so that I may send it to the Municipal Police with instructions to them to make the necessary arrests with my yamên runners, for which I shall feel greatly obliged.

I wish you daily happiness.

Card of Chen.

Mr. Chesshire to Chen. Mixed Court Magistrate.—

Shanghai, October, 15th, 1852.—

Sir,

I am in receipt of a communication from you wherein you state that a secret despatch transmitted to you by the Taotai, was received from Yeo, Minister Superintendent of Southern Trade, with instructions to arrest Yü Shao shan, charged with evading the payment of the Lekin taxes, and also Wang Koh-ming, compradore to the foreign firm of Frazar & Co., charged with rendering assistance to the rebels (during the Tai ping rebellion); and

to

to send them to Nanking. You also requested me to affix the seal of my office to the warrant inclosed in your letter and to assist you in their apprehension.

In reply I beg to state that I brought the matter to the notice of the manager of Messrs. Frazar & Co., and he explained to me that Wang-Kuh-ming has from his youth been in his employ as many as thirty years having begun as a servant and afterwards he was made Compradore, being intrusted with matters of responsibility connected with this firm, and it is therefore inconvenient for him to be sent to a remote distance. If charges have been brought against him that

should

should be investigated, he begs, as is proper, that in accordance with established rules the charge should be investigated in the mixed Court, to ascertain whether his firm is in any way implicated or not.

From the foregoing statements it appears that Wang Koh ming has been in the employ of the American firm of Krazan Bro., for many years, transacting commercial matters of the same. In order to ascertain, whether, as to the charge that he assisted the rebels there is substantial proof or not, and who are the plaintiffs making the charge, and also

to

to find out whether it concerns the interest of the firm in any way, it would seem right to have the matter investigated in accordance with the established regulations at the Tribunal Court, the Plaintiffs and defendent confronting each other in evidence before the Magistrate and the writer.

It is therefore inconvenient for me at this time to visit the warrant you enclosed in your letter to make the necessary arrests.

Now besides writing a communication to Minister Yeo concerning the matter, I have the honour to return the warrant

and

and to request that you will in-
form your superiors and oblige.

I may also state that I
shall be most happy at any time to
cooperate with the officials of
your country in bringing all
criminals to justice.

Despatch No. 69.
Enclosure 5.

Encl

Mr. Belmore to Mr. Young.

Shanghai, 19th October, 1882.

Dear Mr. Young,

I am sorry that I have to trouble you again about my affairs, but as what I have now to communicate concerns all foreign interests in China more closely than anything before referred to I trust you will pardon me for so doing. Mr. Winchester has I believe sent you full particulars of the order for the secret arrest of our compradore and of another Chinaman interested in the Cotton Yarn Company under circumstances which leave no reasonable doubt that the charges on which the

order

order was grounded have been made falsely and maliciously for the purpose of intimidating the native shareholders in our company and by inducing them to withdraw, put an end to the company altogether. Even should this attempt not succeed it would be out of the question to carry on the company in face of an opposition so unscrupulous unless something is done effectually to stop it. I have been many years in China but I do not remember in the whole history of foreign intercourse anything more outrageous than this secret order of the Viceroy. Had our Compradore been arrested as was intended and

hurried

hurried off to Nanking, he would in all probability have been stripped of all his property and either beheaded or sent off to the frontiers if he had survived the disgrace which I doubt as he is a very sensitive man and in very bad health. He was my boy when I first came to Shanghai in 1861, and has served me in various capacities since, having been comprador of my present firm for many years. I believe there is not the slightest scintilla of evidence to shew that he ever aided or abetted the rebels in any way. On the contrary I have ever considered him a most loyal and patriotic man, spend-

ing

ing large sums every year for the benefit of the poorer classes of his countrymen. He is most charitable and kind hearted. But what chance would he have at ranking before a Jury like Iso (whose business has been rebel hunting) and among strangers who know nothing of his antecedents, and confronted with false witnesses prepared to swear to anything! Now could any man without notice of the specific charges made against him be prepared on the spur of the moment to rebut anything that he might be charged with having done twenty years ago? It would be difficult if

not

not impossible for any man after
such a lapse of time to disprove any
charge at against the evidence of
perhaps a dozen false witnesses, and
if the poor man were brought before a
native tribunal to-day innocent as
I am perfectly certain he is I know
how difficult it would be to establish
his innocence in face of the unscrupu-
lous efforts that would be made to
convict him. The fact that this
charge has now been made after
so long an interval and for the
manifest purpose not of executing
justice upon an offender but of
stopping an enterprise which there
seems to be some most extraordinary
motives for suppressing should of
itself

itself throw the greatest suspicion on the truthfulness of the charge. I believe some fifteen years ago more or less a general amnesty for all who participated in the rebellion in any way was published and if this could be found it would at once remove all the difficulties on this point and be a complete bar to any further action in the matter. Will you greatly oblige me by having enquiries made on this point? I think the course Mr. Cheshire has pursued in refusing to give up the comprador has the cordial approval of every disinterested person here both among foreigners, Chinese and sincerely trust you will see your way to

sustain

ertain him. Public sentiment is very strong here on the point and even the Chinese authorities to succeed in their present scheme of intimidation no foreign enterprise will be safe, and the Chinese will be at last have found the true way to drive the hated foreigner away. It is a most monstrous proceeding!

In addition to the great injustice to our comprador and the injury to our Coton Company already caused by this order, our business has suffered by the close confinement on our premises which prevents him from going out and attending to our interests and where he removed those interests would suffer

still

still more severely, as we have continually outstanding orders under his control, and many matters of importance which would suffer by his removal. I feel certain it is only necessary to lay these matters before you to secure your best efforts to prevent the further prosecution of this most outrageous scheme and again apologising for the trouble given, remain,

Yours very truly,

(Signed) W. S. Belmore

Paid

Mr Wetmore to Mr Young.

Shanghai, 24th October, 1882.

Dear Mr Young.

I am very much obliged for your two letters of the 15th inst. and thank you very much for the steps you are taking in regard to my interests in connection with the Cotton Yarn company. The situation here at present is as follows.

1st Our compradore still continues confined to our premises afraid to venture out for fear of being seized by the native authorities.

2nd The other man, who was charged with smuggling, is in hiding some-

somewhere and has thus far evaded arrest, but his shroff has been seized in his stead and is a prisoner at the united court and kept in custody as a sort of hostage for the delivery of his employer.

3rd Mr Cheshire is still absent at Nanking whither he went leaving here on the 21st inst. to have a personal interview with Tso the Viceroy. I hoped to have heard from him by wire ere this, but have not yet received any telegram from him.

4th There is a very strong feeling in the community on the subject, which has thus far found public expression only in newspapers.

newspapers, and a request from the Chamber of Commerce to the Consular Body to consider the matter? but which will be much more strongly manifested should the high handed proceedings of the Chinese authorities be carried any further.

5th So far as the Company itself is concerned the native shareholders are frightened to such an extent that many of them have pressed strongly to have their money refunded which has been done and their shares surrendered. and not only has this feeling of apprehension been caused with regard to this Company but has extended to

others

others here in which the natives are largely interested and there is not only no disposition to invest in fresh enterprises under foreign direction but a manifest desire which is daily increasing to withdraw from already established companies.

It is not at all unlikely that this is the result which the Government desires to accomplish, and that this extraordinary attack against the company I have attempted to organize may have been made for the express purpose of putting an end to the development of industries here under foreign management which have lately made such

rapid

rapid progress.

What gives colouring to the conjecture that the attack may be that of the Government itself under the cloak of a rival company is the most irregular and unwarrantable manner in which it has been made. It is scarcely credible that a simple manufacturing organization would dare to act with such boldness, and certainly no company expecting any sympathy from the foreign commercial body would dare to set at defiance all the principles of law and fair dealing as has been done in this case.

It is not as if I had attempted to carry out my plans at

all

all hazards in the face of treaty rights, or the expressed disapproval of the Government, or in known conflict with the interests of others. On the contrary I have expressed my perfect readiness both to yourself and to Mr. Cheshire to withdraw from the enterprise should it not be sanctioned on the general ground that it was not justified under treaty. or, that it would conflict with such exclusive rights of others as the Government had power to grant. Instead of submitting the case to the arbitrament of yourself and the Tsung li Yamên as those who are opposing me should have done, there has been nothing but

secret

secret and underhand opposition from the outset. The proper way for the company opposing me to have acted, would have been to communicate with me direct — when they heard I was forming a company which they imagined might conflict with their interests, stating their supposed Exclusive rights &c &c Instead of doing so they have never addressed me a line on the subject, and I am as ignorant of the precise nature of their claims, of their capital, organization &c. — as I was when the attack first commenced. I only hear it reported that certain persons of not much weight are

connected

connected with the company (that is natives) and that they have taken an active part in the measures thus far instituted against my enterprise. These details may aid you in the steps you may have to take in the matter and I therefore give them so fully.

and remain

Yr &c

(Signed) H. S. Wetmore.

Paid

Mr Wetmore to Mr Young.

Shanghai. 25th October, 1882.

Dear Mr Young,

At the moment of writing 2 P.M. Mr Cheshire has not returned from Nanking, nor have I heard from him by telegram though I arranged a cypher for the purpose in case he might have anything of importance to communicate. I may mention that during I was getting some of my Chinese friends into serious trouble. I expressed the intention some days since of giving up my scheme of cotton spinning altogether if by that means I could extricate them from their present unenviable

position

position, but was strongly urged not to do so, as it was believed a most dangerous precedent and one fatal to foreign interests would be established. The effect of the action of the authorities have however already been very bad on my enterprise and most of the native shareholders are so much frightened that they wish to withdraw from the undertaking.

. . . . . .

(Signed) H. S. Wetmore.

Print

Mr Belmore to Mr Young.

Shanghai, 31st October, 1882.

Dear Mr Young,

I have to thank you for your note of the 19th, and yesterday Mr Cheshire placed before me your despatch to the Secretary of State for perusal and for the opportunity of so doing I am very much obliged to you. The despatch states the case in a clear and impartial manner. and the arguments are very forcibly put. It appears to me they cannot fail to carry conviction to every unprejudiced mind. Mr Cheshire doubtless writes you fully about his interview with the Viceroy

at

at Nanking. One of the most important results in connection with my case was the admission made by the Viceroy that the charge against our Compradore on which his arrest was ordered was laid by one of the members of the Cotton Cloth Company, (our opponents). This shows the animus and that the object was not to bring an offender to justice but to endeavour to cripple a rival company.

The order for the arrest is still in full force and our compradore is still unable to leave our own premises; the other shareholder in hiding and his sheriff kept in custody at the mixed court. This

is one of the harrassing features of the case. The other Chinaman named in the warrant is a large merchant and his business is completely stopped and if this state of things continue long he will be ruined. Both he and our Compradore are not only kept in a constant state of fear, as to their own safety but also dread lest at any moment having failed to accuse them the Mandarins will come down on their families according to Chinese Custom. Until the warrant is withdrawn and the order for arrest recalled there will be no safety for either of these men.

I remain &c

(Signed) H. S. Wetmore

Despatch No. 69.

Enclosure 6.

Treasure

Consul General

Shanghai.

Dont permit arrest Wetmore's compradore without instructions from Legation.

(Signed) Young.

Telegram.

28/10/89.

Orig.

Despatch No. 69.
Enclosure 7.

No. 14.

Mr. Young to Mr. Cheshire.

Peking, October, 28th, 1882.

Sir,

I am in receipt of your unofficial letter dated October, 18th in which you inform the legation that the service of a warrant issued by a Chinese official for the arrest of a Chinese comprador in the employment of W. S. Wetmore, Esq. was forbidden by you. The reason assigned for this refusal, was because in your judgment and from your best information, the real motive for the proposed arrest of the comprador, was that he had taken shares in an enterprise of Mr. Wetmore's,

and

and that Mr. Wetmore asks for him the protection of the United States, until there can at least be established a prima facie case against him of having been guilty of some offence against Chinese laws. Mr. Wetmore also writes to the Legation that his Compradore has been in his employment since 1861 - is a man of fidelity and character - that as a consequence of the arrest he would in all probability have been stripped of his property and beheaded. Mr. Wetmore avers that his business is impeded because of these proceedings against his Compradore.

He further says that the warrant was issued in pursuance of a secret order from the Viceroy at Nanking.

He

He confirms your belief that the real motive for this action is to punish the compradore for taking shares in the Cotton Yarn Company and thus intimidate other Chinese from following his example.

I appreciate the delicacy of any interference on our part with the administration of Chinese law and Chinese authorities. But under all the circumstances you used a wise discretion in refusing to approve of the warrant. I telegraph you in the following terms.." Don't permit arrest Wilmore's compradore without instructions from Legation."

I will thank you to keep me fully informed by mail, and if

necessary

necessary by telegraph of the facts in this case. I cannot see my way to approve the service of the warrant, until I am satisfied that its issue is not meant to intimidate American merchants, pursuing a lawful calling - and to destroy an American enterprise, which is under the protection of the treaty.

You will therefore hold this warrant, or any other warrant coming to you under similar circumstances until you have the further orders of the legation. If the Chinese officials question your act - you may recite this despatch as your authority.

I am &c

(Signed) John Russell Young.

First

Despatch No. 69.

Inclosure 8.

No. 114.

Mr. Cheshire to Mr. Young.

Shanghai, October, 31st, 1882.

Sir,

Referring to my despatch No. 113 of date the 20th instant. I have the honour to inform Your Excellency that I reached Nanking on the 22nd instant, and the next day applied to the Viceroy for an interview, which was accorded me at one o'clock. His Excellency was suffering badly from various complaints, and could hardly walk. After the usual preliminary exchange of courtesies I enquired whether H. E. was aware that a cotton

Yarn

Farm Company had been established at Shanghai; to which he replied in the affirmative. I mentioned that the Company had been started by an American for the development of an industry which would prove beneficial to China and her people, but that a good deal of opposition had been made against it by the Shanghai Cloth Company. I alluded to the fact of H. E. having issued an order for the arrest of Wang Koh Ming, charged upon rumour with rendering assistance to the rebel forces many years ago, and as he was in the employ of Messrs. Frazar & Co., as Comprador, and had been with Mr. Wetmore for

over

over 30 years, I requested A. E.
to kindly inform me who had
brought the charges against him,
as I had reason to believe that
they were made solely for the pur-
pose of interfering with the Cotton
Yarn Company and Messrs. Frazar
& Co's business. A. E. replied that
Wang Ko Ming had been a Nien Fei
rebel, and should be punished;
that the Poh Hsing (people) had ac-
cused him, I expressed surprise at
the charge being brought by the
"The People" and enquired the names of
the complainants. A. E. replied that
a man connected with the Chih Ju
Chin (Shanghai Cotton Cloth Com-
pany) had informed him. I ask-

ed

ed for the name, but did not obtain it. I found that A. E. seemed to oppose all foreign enterprises, especially where machinery was to be used, and he stated that the use of machinery interfered with manual labour. I told A. E. that the Shanghai Cloth Company proposed to use machinery in the manufacture of cotton goods, and his answer was, "that is a native company."

I told A. E. that it was not my purpose to interfere in Chinese matters where there was no American interest concerned; but the present case affected very materially the interests of Messrs. Frazar & Co.,

an

an American firm, and I felt it my duty to visit Nanking for the purpose of explaining this fact to H. E. in person. After conversing with the Viceroy for some time, and apparently to no satisfaction, I handed him a statement in Chinese, a translation of which I enclose; and requested H. E. to peruse it at his leisure.

I am of the opinion that after I left Shanghai for Nanking a telegram was sent to that place by some one connected with the Opposition company, with a view to poisoning the Viceroys mind against the Yarn Company.

and

and Mr Helmores Compradore, and if possible to prevent me obtaining an interview with him. There is one thing which I am certain about and that is this, had I not gone to Nanking the Viceroy would never have been placed in possession of the facts, which I laid before him.

2/- I also enclose copy of a despatch which I received from the Taotai, and my Reply to same.

As you will observe I have declined to sanction the arrest of Messrs. Frazar Co's Compradore. The Chinese Authorities have not succeeded in effecting the arrest of the other man Yü Shao Shan, and

from

from what I hear, are not likely to.

The action of the Viceroy based upon what is believed to be false information furnished him by the Shanghai Cotton Cloth Company, has caused a deal of excitement among the Foreign and Chinese merchants here, and the Chamber of Commerce have addressed the Doyen of the Consular Body upon the subject

No ~~meeting~~ of that Body has been convened as yet.

Your Telegram dated Tientsin 29th instant is received, instructions noted, which shall be strictly complied with.

J

I have &c &c &c

(Signed) F. D. Chesbire

Vice Consul General in charge.

Enclosure.

No. 1. Translation of the statement presented to the Viceroy.—

No. 2. Copy of a despatch sent to the Taotai and Mr. Chesbire's reply to same.—

Encl

A Statement presented by Mr. Cheshire to His Excellency Yao, Viceroy at Nanking.

Wang Koh ming is the Compradore to the American firm of Frazar and Company.

On account of the Manager of this firm having started a company for the manufacture of Cotton Yarn, during the Eighth Moon the Superintendent of Customs at Shanghai addressed a letter to me endorsing a copy of a reply from H.E. the Minister Superintendent of Northern Trade to a petition presented to him by Kung Shou Yu and others of the Chih Pu Chii (Cotton Cloth Company) wherein they

they stated that when the company was organized in reply to a memorial presented to the Throne, an Edict was issued granting it an Exclusive privilege for a term of ten years during which time no other company could be established; that certain persons have induced a foreigner to organize a company with the intent of utilizing native cotton for the manufacture of yarn, which would conflict with the interests of the Cloth company, and requested that Enquiries be made and prohibitory instructions be issued preventing the company from being carried on. The Taotai also stated that Cheng Yao Chai had written to him informing him

that

that Yü Shew Shan, Wang Koh ming and Woo-chan-Tsing were the men- who had started the company.

On the 4th of the 9th moon, I received a communication from the Taotai, wherein he stated that he had received an instruction from Your Excellency to the effect that Wong Koh ming had formerly rendered assistance to the rebels and that he must be arrested and sent to Nanking.

The Feng Tai Hong is an American Firm and the Yarn Company was started by the manager of that firm, Mr. S. Wetmore, and the head of the English firm of Chang San now P. T. Grant,

Shares

shares were issued in accordance with the custom prevailing at Shanghai in other public companies. The company was not started under an assumed name of a foreigner as alleged. Now, as Tong Koh ming is connected to the said firm, he was requested by the manager to take shares in the company and also to sell shares to others. Mr. Nelmore conceived the idea of starting the company and all matters connected with it are under his authority.

If, as stated, Imperial Authority had been granted to the Cloth Company giving it an exclusive privilege for ten years during

during which time no other company should be allowed to be established by others, I may say that that would apply only to the manufacture of cloth. Besides the Tsung-li-Yamên has never addressed the Diplomatic Body at Peking upon the subject, clearly pointing out that foreigners cannot establish companies in China, and if there is such a law, then how is it that of late years a Tannery company and Silk Filatures have been started at Shanghai, foreigners and Chinese both holding shares in them - and they work native products; how is it that the Chinese Officials have never interdicted

interdicted them? Is the Chih Su Chü not aware of this fact? Kung Yaotai and others, being desirous to interfere with the purpose of the Yarn Company, have done all in their power to get the Officials to prohibit its operations. Their motives in acting this way are concealed.

It is a well known fact that when the company was formerly under the management of Ling Chih Chih, a Yaotai, the only thing accomplished was the purchase of land and the erection of foundation walls, and afterwards Yaotai Kung and Cheng undertook the management of it, but there is no clue or evidence that they have ever

accomplished

accomplished anything.

It would seem that the Chih Ju Kung Se (Cotton Cloth Co.) is afraid that Mr. Belmore's Company, which was started after it, would be in working operation first and that the Higher Authorities would charge those connected with the former with not having conducted the management properly.

At present, it is not known who has brought the charge against Tang Koh Ming and it would appear that some underhanded measures have been taken to persecute him and thus interfere with Messrs. Frazar Bro.'s business.

J.

I must inform Your Excellency that Nangtoh Ming from his younger days has been in the employ of the Feng Taijen over thirty years, and if he rendered assistance to the rebel authorities in former days, how is it that at the time no action was taken for his apprehension and punishment? But after an elapse of twenty more years, then steps are taken for his arrest upon rumour. I really cannot understand what all this means. I understand that after the rebellion, when peace and quietness had been restored that a General Amnesty Proclamation

was

was issued by the Throne as an act of grace, pardoning all those who had been implicated with the rebels, and if Wang Koh Ding had been guilty of the charge preferred against him, the Amnesty Proclamation would include him as well as others.

In conclusion, I may say that if Wong Koh Ding is guilty of aiding rebels it is not my desire to harbour or protect him in any way, but as he is in the employ of Messrs. Frazar and Co., and as the matter concerns the interests of an American merchant, it is right for me to request that Your Excellency will have the case investigated

aled according to the established rules of the mixed Court and command the party bringing the charge to proceed to Shanghai and first appear before the Mixed Court for Examination so that the evidence of both parties may be heard to ascertain whether he Wang Koh ming did in former times assist the rebels or not and whether American interests is in any way concerned.

Your Excellency holds a prominent and honoured position and you are known for being just in your administration. Foreign Officials have always shown their respect for you, hence I do not

mind

mind the trouble I have been put to in coming to Nanking for the purpose of having a formal interview with Your Excellency and to present this summary statement embracing the facts of the case for Your Excellency's information.

There is another matter which I must bring to the notice of Your Excellency. Last year in the Tenth moon Yang Chi Chih together with Cheng Yao Chai and Sheng Hsing Tsun, all Taotais, sold the land purchased by Chih Ju Chü (Cotton Cloth Company) in all several lots of mow for the sum of 60,000 taels, and had the property put in the name of A. M. Brown as the owner. The

land

land was registered in the United States Consulate General. After the transfer an attempt was made to dispose of it by the issuance of lottery tickets in accordance with the Manila Lottery System which is the same as gambling. This was done at the instance of Chung Tao Chai. Lin, the former incumbent, on hearing of the lottery scheme, addressed a letter to Mr. Denny, the Consul General, to the effect that as this land was Chinese official property (i.e. the land owned by the Cotton Cloth Company) how could it be sold (i.e disposed of by lottery) which would affect Government prestige or not be in accordance with

with the official way of transacting business, and he therefore requested Mr. Consul General Denny to stop it which was done. I bring the above facts to Your Excellency's notice so that you may judge for yourself what sort of a man Cheng Yao Chai is.—

Shao Intendant of Circuit of
Soochow Fu, Sungkiang Fu &c
to Mr. Cheshire.-

The writer received a despatch
on the 1st day of the 9th moon of this
year from Yso Minister Superintend-
ent of Southern Trade to the effect that
Wang Ko ming a Ningpo man,
at present filling the position of
Comprador to the foreign firm of
Frazar & Co., has, it appears, assisted
the rebels in former times and that
it is most essential that this
matter should be investigated and
the offender arrested and severely
dealt with. His Excellency therefore
instructed the writer to make a
thorough

thorough enquiry and to arrest him and to send him to the Provincial Capital to await rigorous punishment.

On receipt of the above communication, in compliance with His Excellency's commands the writer at once transmitted instructions to the Mixed Court Magistrate, Chen and the Shanghai Magistrate Fan, to send their Yamên runners to effect the arrest.

Later on, these officers reported that Wang Koh ming is in the employ of the foreign firm of Frazar and Co., and they therefore, in accordance with established regulations issued a warrant

warrant and requested the Honourable Consul General to depute Municipal police to co-operate in effecting the arrest which request he refused to comply with, hence they have not been able to apprehend the man.

The writer would observe that in the 18th Article of the Treaty criminals, subjects of China ..... having arrived at or in the houses of citizens of the United States shall not be harboured or concealed but shall be delivered up to justice on due requisition by the local authorities addressed to those of the United States.

Now Wang Yoh ming although he is employed in the

foreign

foreign firm of Frazar & Co., yet as
H. E. has heard that he rendered
assistance to the rebels is there-
fore a criminal, and it is a
matter of no concern to the Feng
Tai firm; and it would not
seem convenient to harbour and
refuse to deliver him up. It
is therefore most essential that
the writer address a communic-
ation upon the subject.

In addressing this commun-
ication to the Honourable Con-
sul General the writer begs that he
will at once instruct Messrs. Frazar
& Co., to deliver up Wang Koh-ming
to the Magistrate of the Mixed Court,
Chen, to the end that he may be

sent

sent in custody to the Intendent Yamên for transmission to Nan-king for trial. He requests that there may not be any delay in carrying out his wishes in the premises.

A necessary communication addressed to F. D. Chesbrie, Esq. United States Consul General.

Kuanghsü, 8th year, 9th moon, 6th day. (Shanghai, October, 17th, 1882.)

Encl

Mr. Cheshire to Intendent of Circuit &c.

The writer is in receipt of a communication from the Intendent wherein he states that he received a despatch from Tso. Minister Superintendent of South-ern Trade with instructions to ar-rest Tsang Koh ming comprador to the foreign firm of Frazar & Co., and to send him to Nanking for trial, and quotes from the 18th Article of the Treaty and requests that action may be taken in accordance with it.

In reply, the writer begs to state that the 18th article of the Treaty between China and

the

the United States reads And if criminals, subjects of China, take refuge in the houses of citizens of the United States, they shall not be harboured or concealed, but shall be delivered up to justice on due requisition by Chinese local officers, addressed to those of the United States. The said Article points particularly to Chinese Criminals only who have been proved to be criminal after judicial inquiry and who have taken refuge on the premises of citizens of the United States.

Now Wang Koh ming has from his youth been in the employ of Messrs. Frazar & Co., as many as thirty years, he

he entered the firm previous to the outbreak of the rebellion, consequently he has not taken refuge on the premises of the said firm on account of having committed crime as alleged.

If H. E. the Minister bases his argument upon the said article of the Treaty and omits the expression "take refuge", the original signification of the article is lost and his argument is decidedly inapplicable to the case of Wang Koh ming, who entered the Employ of the said firm many years ago.

Whether Wang Koh ming in former times did render assistance to the rebels or not, it is a matter

which

which it seems unnecessary at present to discuss at length. In conclusion, the writer begs to state that as Wang Koh ming is in the employ of the American firm of Frazar Bro., entrusted with the management of financial matters of the same, hence the case affects the interests of an American merchant.

Even granting that the man did commit crime and has been accused it would seem proper that the matter be investigated according to the regulations of the mixed Court, confronting the defendent in evidence, before the Magistrate and the writer, and action taken in accordance with the evidence submitted. Such

a

a course would be in accordance with established regulations, it is not the desire of the writer to harbour the man. When he is to be tried at the Mixed Court the manager of the Fing Tai firm desires to be present to give evidence.

Mr. Fetmore states that the issue of the order by His Excellency Yao to arrest Wong Koh Ming, it would seem, was brought about by certain persons who on account of the recent organization of a company by his firm were ill disposed towards him and for that reason made false accusations against his compradore.

Furthermore, their desire

to

to subvert the interests of his firm is not in accordance with the principals of commercial good feeling between foreign and Chinese merchants. The action taken has caused rumours to be circulated which in time may result greatly detrimental to his firm.

The writer may also state that it is neither the custom of China or that of foreign countries to pronounce a man guilty of crime on mere hearsay.

As in duty bound the writer makes this communication addressed to N. E. Shao. Intendent of Circuit etc. etc.

Kuangsü 9th Year 8th Month 8th day (Oct. 19th.)

first

Despatch No. 69.

Enclosure 9.

No. 18.

Mr. Young to Mr. Cheshire.

Peking, October, 31st, 1882.

Sir,

I have had the honour to receive your despatches numbers 113 and 114. in regard to the proposed arrest by the Chinese Authorities of a Comprador in the employ of Mr. Netmore.

In the first of these despatches you refer to a correspondence had with the Customs Intendant at Shanghai, of which, however, you did not enclose copies.

Please forward these as soon as possible.

I have

With my present information I am inclined to doubt the wisdom of your action in proceeding to Banking in this business without awaiting instructions from this Legation. I shall await with anxiety a report of the result of your visit.

In future please take no further active steps in the case beyond such as are called for by my despatch number 17 of the 28th instant.

I am &c

(Signed) John Russell Young.

Despatch No. 69.
Enclosure 10.

Mr. Fetmore to Mr. Young.

Shanghai, 4th Nov., 1882.

Dear Mr. Young,

I was very glad to learn from Mr. Cheshire last evening that he had received a telegram from you stating that the diplomatic body united in supporting the position he had taken up in the case of our comprador.

I took the liberty of giving the information to the editor of the Daily News who said he would issue an "Extra" for the purpose of making it generally known at once. In doing so I hope I have not been guilty of an indiscretion. The des-

patch

patch seemed to convey a piece of information which I think you will concur with me should at once be made public in view of the present status of the case.

The fact is that ever since the warrant for the arrest was issued the people connected with the native cotton cloth company have been making overtures through go-betweens to the effect that if I would give up my pretensions, acknowledge their monopoly and wind up my company they would guarantee the withdrawal of the Tien-tsin warrant. I have refused stoutly to listen to any proposals unless the men themselves would come

come forward. This they have of course feared to do. Having probably heard however something of the diplomatic action being taken at Peking and fearing the result may not be favourable for them they have this morning sent in two papers. One for my signature agreeing to relinquish the Company in consideration of certain persons promising to invite the manager of the Cotton Cloth Company and the Taotai to intercede with the Viceroy, and the other to be signed by those persons agreeing so to invite those two men to use their influence in that way with the Viceroy. The intimation is that

if

if I refuse to sign this paper some-
thing worse on the part of the Chinese
officials will follow, and I am there-
fore placed in this most unfortunate
dil. Emma. If I do sign.

1st. A most dangerous precedent
will be established and the Chinese
authorities will feel that they have
only to arrest a foreigners compra-
dore to accomplish any unlawful
purpose, and interfere with anything
that does not meet their views.

2nd. They will make it appear to
their own people that their purpose
have been accomplished in face
of foreign influence.

3rd. That the order for arrest has
been removed entirely by their-

effort

effort and those of the American Vice Consul general and the American Minister and Diplomatic body have had no weight.

On the other hand I believe myself, that were I to sign the paper our Compradore and the other man would have the ban removed. There can be no doubt the whole of this action is intended to suppress my company and if it succeeds blow will follow blow until every similar enterprise in China is stopped. If I do not sign therefore there is no telling what course the savage Mandarins may not adopt. Our Compradore fears they will seize his family as also that of the other unfortunate

fortunate and of course I should very much regret any such action if it could have been prevented by my signature to a document however humiliating. For this reason it seemed to me it would be better the Chinese should know at once what an opposition they will have to encounter should they contemplate the resort to further underhand and lawless measures, and therefore I thought it would be well and might act as a deterrent if the sense of the dispatch to Mr Cheshire were made public at once.

Yours &c.

(Signed) W. S. Belmore

Mr Belmore to Mr Young.

Shanghai, 7th Nov., 1882.

Dear Mr Young,

I am much afraid my affairs are giving you a great deal of trouble. There are several points involved however which were bound to arise sooner or later, and the favourable settlement of which will conduce greatly to promote foreign interests as well I believe as those of the Chinese. I was very glad to receive your letter of the 29th ultimo. It appears to me the position you take with regard to the warrant issued by the Viceroy cannot be questioned and the view that "the machinery

machinery of the Chinese law cannot be used to oppress American citizens and interfere with American interests" is a complete answer to the demands of the Chinese for service of such a warrant. It would never have been issued by any Chinese official at all familiar with the treaties or with foreign relations.

I think the Ranking Viceroy begins to find out he has made a mistake as a Mr Tack a German who knows him well came to see me yesterday and reported that the Viceroy had sent for him, as he thought to consult him on his business, and he told me very plainly he should tell the Viceroy he had made a great

great error. Perhaps this will have the effect of inducing him to withdraw the warrant sooner than would otherwise be done.

I am very much obliged for the suggestions you make.

With regard to the first it would be quite impracticable to go on with my company under the existing circumstances. So far as that is concerned I will have to wait the result of the negotiations at Peking, and then make a fresh start unless the whole thing is broken up in the meantime.

As for the second. Certain indirect overtures were made to me for consolidating the two companies

which

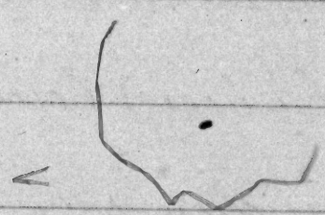
which I assented to and as long ago as the 30th of September I drew up a formal agreement which I understood the other parties were prepared to sign, but on coming to the point they drew off. I then learned the Company were composed of two factions one of which were opposed to the action taken against us - and these were in favour of a compromise - while the others had caused all the trouble and the leader was then absent at Nanking probably for the very purpose of getting the warrant of arrest. Perhaps when they find they may get themselves into trouble the counsels of the peaceful faction will prevail and then they may make fresh overtures.

overtures - but I should certainly be loath to join hands with men who had resorted to unscrupulous means to accomplish their ends, and should insist on their withdrawal. I doubt however whether we can ever arrive at such a peaceful solution of the question.

As I at once placed my interests in the hands of Mr. Cheshire and he informed the Taotai he had referred the subject to Peking for settlement. The Chinese Authorities have no justification whatever for attacking me so fiercely in the meantime instead of awaiting as they should have done the solution of the matter at Peking.

Yours &c

(Signed) W. S. Belmore.



Despatch No. 69.
Enclosure 11.

Security Note.

The undersigned W. S. Wilmore in consideration of Ching Lien San, Yuen Chin Long and Shun Sooi ei agreeing to invite the manager Kung of the (Chinese) Cotton Manufactury in conjunction with the Customs Taotai to petition (Teo Young Tang) to close the case against Wong Koh Kung and Yii Sha Shan, who were apprehended by the Viceroy Teo, do hereby agree and undertake to close and wind up at once the Yuen Feeling Company under my management in conformity with the monopoly of manufacture already granted by China and to return all the money subscribed by Shareholders, and wind up the

Company

Company which I have started.

In witness whereof I enter into this security this

Draft

Security Note.

The undersigned Ching lien sau, Yuen Chun ling and Shun Nes is in consideration of U. S. Wetmore agreeing to conform to the monopoly of manufacture granted by China and in accordance therewith to stop his manufactory and return all the money subscribed by shareholders do hereby bind themselves to invite the manager Kung of the (Chinese) Cotton Manufactory in conjunction with the Customs Taotai to petition (Tso Tsung Tang) To close the case against Chii Sha Shan and Wong Keh ming who were apprehended by the Viceroy Tso.

In witness whereof this security note is entered into this

Security note

Chinese text.

立保單 經蓮珊 袁九齡 沈味畬 今承豐泰洋東朱士華地碼允將
紡紗公司遵照
中國獨造之權立時停歇所招股份一概退還
本人 九齡 等可保俞少山王克明二人現奉
南洋通商爵閣督憲左 訪拏之案代央織布
局總辦龔會商關道稟求銷案立此保單為照

True copy.
C.H.

立保單華地碼今承經蓮珊 袁九齡 沈味畬先生允將俞少山
王克明二人現奉
南洋通商爵閣督憲左 訪拏一案代央織布
局總辦龔會商關道稟求銷案華地碼願將所管
紡紗公司遵照
中國獨造之權立時停歇所招股份一概退還
本人立此保單為照

Despatch No. 69.
Inclosure 12.

No. 119.

Mr. Cheshire to Mr. Young.

Shai, November, 9th, 1882.

Sir,

I have the honour to inform Your Excellency that I understand the Taotai has received instructions from Li Hung Tsao, to have the charges brought against Messrs. Frazar Bros., Compradore investigated at Shanghai in accordance with Mixed Court Regulations, and that H. E.'s action in this respect is the result of my visit to Hankow.

I shall make further inquiries and address you further upon the subject.

I am &c

(Signed) T. D. Cheshire.

Vice Consul General in Charge.

No. 120.

Mr. Cushing to Mr. Young.

Peking, November, 10th, 1882.

Sir,

I have the honour to acknowledge the receipt of your despatches numbered 17 and 18 - in reference to the case of Messrs. Frazar & Co., Compradore. -

- In the former despatch you approve of the action I have taken in refusing the service of the warrant issued for the arrest of Wang Ko Ming, but in the latter you state "with my present information I am inclined to - doubt the wisdom of your action in proceeding to Nanking in this business without awaiting instructions from the

Legation

Legation and you request me to take no further active steps in the case beyond such as are called for by your No. 17.

In my despatch No. 117 I communicated to you a report of my interview with His Excellency Teo Chung Tang, together with a translation of a Statement which I prepared in Chinese and handed to the Viceroy embracing certain facts relating to the establishment of Messrs. Wetmore's Yarn Co., the opposition made to it by the Shai Cotton Cloth Co., and the order for the secret arrest of Wong Ko Ming. I also informed you that in my opinion had I not visited Nanking the Viceroy would never have been placed in possession of the facts of the case as set forth in my Statement which I regarded at

the

the time and do now, as very important and sufficient reason to justify the course I pursued, for the opposition party to Mr. Pelmore's company seemed prepared to do all in their power to carry out the nefarious scheme already commenced, and had I written a despatch to the Viceroy I question whether he would have ever received it.

I have acted all along in this case with every care and precaution, and the right I have claimed, that the matter of Mr. Pelmore's Comprador should be investigated in accordance with the mixed Court Regulations and established Custom in regard to native defendants in foreign employ, the local

Chinese

Chinese officials have never conceded, so far as I am aware, and what I communicated to you in my despatch No. 119. and which I am now able to confirm is proof that the Viceroy himself does not oppose this course).

The Taotai received the Viceroys instructions in regard to investigating the case of Wong Ko Kung-about a week ago, but no action has been taken by that officer in the matter further than communicating a copy of the instructions to the Mixed Court Magistrate. The fact is the local officers are doubtless aware that the charges are trumped up purely with malicious intent,

and

and in my opinion they dislike the whole business. I may inform you that I have had no further communication with the Chinese Authorities in this business.

I will thank you to inform me whether I am to infer from the last paragraph in your despatch No. 18. that it is your wish for me to even refuse to sanction a joint investigation of the case at the Mixed Court in accordance with my proposition. Though I am not inclined to believe that that is your intention, yet I shall be glad to hear further from you upon this point.

I am &c

(Signed) T. D. Cheshire

Vice Consul General in Charge.

Despatch No. 69.
Inclosure 13.

No. 23.

Mr. Young to Mr. Thrasher.

Peking, Nov. 21st 1882.

Sir,

I have the honour to acknowledge your despatches numbers 119 and 120

The question involved in the recent transactions at Shanghai is of the gravest importance. The incident of the proposed arrest of the comprador is in comparison a small matter, and its special value is an illustration of the spirit which animates the Viceroy of Nanking. The right of Americans and other nationalities to trade in China, or engage

in

in manufactures, is really at stake. The diplomatic body in Peking have united upon a course of action as to the constitution of our rights under the treaties to trade and manufacture, and have addressed the Yamên. It is important that no steps should be taken in Shanghai in our special interest that will disturb this harmony. We have nothing to gain that will not also be a gain to the other powers.

The proposed arrest as I have remarked, is an incident showing the spirit of the Viceroy. You can deal with that as you deem best; but not allow any judgment to go into effect until the evidence satisfies

fies the Legation that the accused has fallen within the just province of Chinese law, and has been guilty of some more serious offence than the purchase of shares in Mr. Belmore's company. I see no harm in your proposition to sanction a joint investigation of the case by the mixed court, an investigation which you will, of course, attend as a representative of the United States. The change of position on the part of the Viceroy in his attitude towards the Compradore, would be more satisfactory and encouraging if it had not been followed by the order in reference to the use of the electric light by Chinese residents within the foreign conces-

sion

ion. The Viceroy never could have maintained his claim to arrest the comprador. The proposition to Mr. Helmore to give a security note threw an obvious light upon the whole transaction, and I can understand how A. E. would feel relieved to be no longer in so untenable and ignominious a position.

I presume you will hear little more of the comprador's case. The threatened arrest has served the purpose of intimidating Chinese investors from taking shares in foreign companies. That done there can be nothing gained in pursuing a single Chinaman, especially after the attitude of the diplomatic body in Peking.

The

The reference to the Mixed Court will enable the Viceroy to retreat without any sacrifice of his pretensions, and until the whole subject undergoes revision and decision here there will be no more foreign companies, employing Chinese Capital in Shanghai.

The situation at Shanghai is most important and I note your reports with interest, and not altogether without concern. I am in hopes that this sudden antipathy to foreign interests is temporary and evanescent. It is most important, that you should keep a careful watch upon the actions of the Chinese authorities and inform the Legation of every incident tending to illustrate or develop their policy.

I

I approve of your action in reference to the proposed suppression of the electric light company.

I am etc

(Signed) John Russell Young.

Despatch No. 69.
Inclosure 14.

Cheshire to Mr Young.

Nov. 14th 1862

Dear Mr Young,

A meeting of the consular body was held yesterday afternoon at Dr. Fockes house to consider the Lestim Yamen business. My colleagues thoroughly support me and it was decided to address a conjoint despatch to H.E. Tso to the effect that they (the consular representatives) viewed the action of the Chinese authorities in this business as unfriendly and in contravention to the spirit of the treaties. It is now thought by my colleagues that a letter in the above sense would have a good effect and not in the least conflict with the action already taken by the diplomatic body at Peking. Count de Luca attended the meeting and

gave me his hearty support.
It was also decided to refer to
the proclamation which had
been issued by the mixed
court magistrate at the
instance of the Tartar some
time ago (to which I alluded
in a former communication)
and to ask H.E. to instruct
the Tartar to order its formal
withdrawal. Of course the
proclamation can never be
posted as my colleagues
oppose it.
The Chinese have now attempted
to interfere with the Electric
Light Company and instruc"
lions have been issued
preventing the Chinese in the
settlement from using it.
This matter was also discussed
at the consular meeting and
it was decided to send
formal protest to the Tartar
in the name of all the

consular representatives
Everything is going on as
well as could be expected
the Wetmore company
is concerned. The mixed court
magistrate told me privately
that he was glad that the
case of the comprador had
been referred to Shanghai and
said it was the result of my
visit to Nanking. He further
stated that he would not (under
the circumstances) interfere with
his (the compradors) personal
liberty and take no further
action until the Taotai
addresses me about a conjoint
investigation. The old magistrate
(in whom I have every confidence)
is a strong supporter of foreign
enterprises and is decidedly
against the action of the
would-be monopolists.
I do not think the Taotai
cares to hold a joint inquiry

gation and may perhaps let the matter drag on and say no more about it until it is forgotten. You may rest assured that I understand the situation and will not do anything that will prejudice your action or in any way compromise myself. I have had pretty good training in dealing with these crafty officials and I am sure you will agree with me that they are a peculiar set of men.

Believe me

Yours faithfully

Despatch No. 69,
Enclosure 15.

The following Notification has been issued by Chên, Magistrate of the Mixed Court, by order of the Taotai of Shanghai:

"The mixed court magistrate Chên hereby commands the Constables Chao King, Wang Hai, and Hung Fu, who in obedience to the instructions of the Taotai, relating to the discovery and prohibition of Chinese subjects from using the Electric light and to the arrest and punishment of any one guilty of disobedience, had made inquiries and reported the same, — to coöperate with the Je-paos, and, in accordance with this notification, to order the proprietors of the following places which use the Electric light-

Foch

Foch Tak opium smoking shop, Tak Yuen opium smoking shop, Tsin Sun theatre, Wan Cheng Tak opium smoking shop, Fun Yuen opium smoking shop, Le Yuen opium smoking shop, Long Yuen billiard room, Wah Chung Wei billiard room and Tak Kee opium smoking shop; to discontinue from this day forth, the use of the Electric light on their premises, and never to use it afterwards.

The constables are to report, within three days, obedience to these orders, and the report will be forwarded to the Taotai. Do not delay or waste time in executing this Notification." Kuangsü 8th year, 9th moon, and 27th day.

Copy

Despatch No. 69.
Enclosure 16.

Mr. Cheshire to Mr. Young.

Shai, Nov. 13th 1882.

Dear Mr. Young.

Just a line to say that the last act of the Chinese Authorities is to request the British Consul and myself to stop Messrs. Iveson Mc' and Messrs. Russell Mc's silk Filatures.

It is my purpose to wait a few days before replying. I shall send you a copy of Taotai's communication in a few days - and the reply I propose to send will follow. I am glad the Chinese are doing the business, thoroughly it makes all the better case for

us

us to fight: Jardine, Matheson & Co's
the largest English firm in China
also have a Filature

Will keep you posted.

In haste &c.

(Signed) F. D. Cheshire.

Despatch No. 69.
Enclosure 17.

By Telegraph.

Mr. Young to Mr. Cheshire.—

Nov. 22. 1882.

Cheshire - Shanghai.

Confidential. Keep Legation fully informed by telegraph if necessary of every phase present complication. Say to Taotai Legation cannot consent to interference directly or indirectly business interests Americans Shanghai that these interests are protected by treaty and until treaty abrogated legally shall hold interference like that proposed silk filature Russell grave violation rights.

(Signed) Young.

Despatch No. 69.
Enclosure 18.

Brit
No. 24.

Mr Young to Mr Cheshire.

Peking, November. 23rd, 1882.

Sir,

I am in receipt of your letter of November, 13th, 1882, in which you inform the Legation unofficially that the Chinese Authorities have requested you to stop the manufacture of silk filatures now a part of the business of the American house of Russell & Co., and have addressed a like communication to the British Consul in reference to a business of the same nature conducted by a British house.

I telegraph you as follows.

Confidential

"Keep

"Keep Legation fully informed, by telegraph if necessary, of every phase present complication — Say to Yamtai, Legation cannot consent to interference directly or indirectly with business interests Americans Shanghai, that these interests are protected by treaty and until treaty abrogated legally shall hold interference like that proposed silk filature Russell as grave violation treaty rights".

As soon as we have full reports from your office the Legation will bring the matter to the attention of the Yamên, and ask for explanations. To that end it is important that you send us officially the fullest information of every phase of the complication.

Should

Should there be any new phase use the telegraph as it is most important in our negotiations, and especially as navigation may on any day close, that we should know the exact situation.

As I say in my telegraph you should resist in the most earnest manner the claims of the Shanghai authorities to destroy an American interest — like that of Russell Bro. In corresponding with the authorities point out the fact that all the questions at issue and more especially the question of manufactures, which we in common with the other powers hold to be an undoubted right secured by treaty, are now under discussion between the foreign ministers and the Imperial Cabinet. Say

further

further that this discussion is proceeding with amity and a sincere desire to arrange all differences upon a basis that will serve the best interests of all, and that pending this it is an act of grave discourtesy for the provincial authorities to interfere with American merchants by acts of violence. Point out to them that discourtesy so marked will only give an irritating character to negotiations that should be conducted in the friendliest spirit, and engender complications that wisdom and candour on the part of the authorities would avoid.

You will further say that so long as the present treaties are in force and the tenor of their stipulations under-

stood

stood by all the parties in covenant.

The Legation can not see how the Chinese authorities can maintain their present attitude towards foreign interests in Shanghai.

If it will serve, your cause, you may express these views to the Taotai, as instructions to you from the Legation.

I am, Sir, &c

(Signed) John Russell Young.

Despatch No. 69.
Enclosure 19.

Confidential.

No. 114/1882.

Mr. Young to Admiral Cliz.

Peking, November. 24th, 1882.

Sir,

There has been a succession of events in Shanghai seriously involving American and other interests and you may like to know the impressions they have produced not only upon our Legation, but upon the representatives of other Powers in Peking.

Some weeks since an American merchant H. S. Wetmore, doing business in Shanghai issued shares in a company for the manufacture of cotton yarn. The Chinese authorities forbade all Chinese subjects

subjects from taking part in the company, on the ground that a monopoly for the manufacture of cotton cloth had been granted to a Chinese company, and that Mr. Wetmore's enterprise was an infringement of that concession. The Legation, held, that Mr. Wetmore was acting within his undoubted rights as an American citizen - rights conceded to him by treaty. This view was concurred in unanimously by the diplomatic body in Peking, and was so presented to the Imperial Cabinet.

While this question was under discussion between the government and the foreign ministers, the Viceroy of Nanking sent a secret order directing the arrest of a Chinaman,

the

the compradore of Mr. Helmore, who had been in that merchant's employment for many years, and his conveyance to Nanking to be tried for "participating in the Tai Ping rebellion," a rebellion which came to an end in 1865. Mr. Helmore claimed protection for his compradore on the ground that he was innocent of the charges brought against him, and that the real reason for the warrant was that he had taken shares in the proposed company, and perhaps induced other Chinamen to follow his example. In the event of the arrest and transfer to Nanking, it was the opinion of Mr. Helmore that his compradore would have been beheaded and his property confiscated.

confiscated, under the sanguinary and summary processes known to Chinese law. Thus by an act of terror the Viceroy would put an end to all further participation by Chinese subjects in foreign enterprises.

The Legation was reluctant to do anything which might look like interfering between the Chinese authorities and Chinese subjects in the administration of their own laws. But we could not overlook the appeal of a citizen who saw in the arrest, apart from the humanity and justice of the case as far as the comprador was concerned, an interference with his rights and an injury to his property. The service of the warrant was therefore

suspended

suspended by the order of the Lega-
tion until it became evident that
the machinery of Chinese law was
not used to the detriment of Am-
erican interests.

What confirmed the impression
of Mr. Delmore, and sustained the Leg-
ation in forbidding the service of the
Viceregal warrant, was the subsequent
action of the Chinese Authorities) Learn-
ing that the warrant was in abey-
ance it was proposed to Mr. Delmore
that if he would sign a bond agreeing
to abandon his enterprise and return
the shareholders the amount of their
investments the warrant would be
withdrawn. This ignominious, pro-
posal shows that the Viceroy's pur-

pose

pose was to use the forms of Chinese justice and the power of his Imperial Office to destroy an American interest, and interfere with a question which all the time was under harmonious discussion between the foreign ministers and the cabinet, namely the whole question of the treaty and manufacturing rights of foreigners under the treaties.

This act of violence was committed because it was alleged that Mr. Nelmore in proposing his company was infringing a patent of monopoly granted by the Emperor to a Chinese Company. Recent events show that the Viceroy was not candid in making this state-

ment

ment, and that his course means an antipathy to foreigners and a resolute purpose to destroy foreign interests in his province. The attack upon Mr Belmore was followed by an order to all Chinese subjects resident in Shanghai, to cease using the electric light. The electric light was not a Chinese monopoly but simply a foreign invention, and the order to cease using it, could only be regarded as an act of antipathy to foreign methods and interests. Within a few days or two a letter has been addressed to the American and British Consuls at Shanghai and asking them to stop the manufacture of silk filatures an industry which for some time has

been

been a part of the business of Russell 160.
an American house in Shanghai.

Information of this last order has just reached Peking. Following hard upon the other acts of the Viceroy, it has I need not say to you, been viewed with concern not alone by our Legation, but by those of other foreign powers. Whether it is the act of a whimsical capricious provincial official, animated by a hatred of the foreigner, or the expression of new and reactionary policy by the central cabinet is a question. What is not a question however is that Chinese authorities are prepared by acts of violence to stop all foreign manufactories

facturies in Shanghai, and thus strike a fatal blow at a rich and splendid settlement, with foreign capital invested to the amount of sixty millions of taels, and in which American citizens have large and valuable interests.

If foreign interests in Shanghai can be destroyed by an order of the Viceroy to the extent contemplated by the decrees to which I have referred, then there is no security at all under our treaties. If the treaties do not protect us in the right to manufacture cotton and silk and electric light, there is no protection whatever.

I may say to you further

and

and in confidence, as I do not want to say anything publicly that may create alarm, that, in conference with some of the foreign representatives who have been here for many years, it is felt that the present crisis so far as foreign interests in China are concerned is the most critical that has been known in China since the treaties were signed.

Accordingly in the interests of the public service I have thought it best to acquaint you in detail with the impressions these events have produced not only upon the mind of the Legation, but upon the representatives of other powers.

Should you in the course of

the

the movements of your squadron find it necessary to visit Shanghai, or should you send some vessel to that port, it would be of advantage for the Commander to have our views of the Situation. To that end I would suggest that you communicate the contents of this despatch to any such officer. It might even be well, should it not be a disturbance of your arrangements for one of your vessels to call in at Shanghai and make a short stay. The presence of an American man-of-war during this complication would serve our interests and strengthen the Legation in its discussions with the Yamên.

I

I do not especially request or even suggest such a step, as the crisis with all its gravity does not seem important enough. I apprehend that under the pressure of the powers, the Yamên will disavow the violent features of the acts of the Nanking Viceroy, and allow affairs to remain as they are until the disputed point in the treaty interpretation are settled by diplomacy. Should there be however a contrary result, should there be for instance a violent interference by Chinese authorities with the American factories now in operation at Shanghai the presence of one of your vessels would enable you to protect our interests, and strengthen

our

our protest against the violation of treaty rights.

In the event of any of your ships visiting Shanghai I would suggest that the Commander put himself in communication with the Legation by telegraph. I could then send him an exact statement of affairs.

I do not wish to see anything done that might look like a demonstration or a menace. I would say to your Commander therefore, should you have one in Shanghai and think it best to give him this despatch that he should keep its contents confidential and treat his visit as only an ordinary incident in a winter cruise along the Chinese coasts. —

I am &c &c

(Signed) John Russell Young.

Despatch No. 69.
Enclosure 20.

Mr Cheshire to Mr Young.

No 122.

Shanghai, November, 24th, 1882.

Sir,

I have the honour to enclose a copy, and translation of a despatch which I have received from the Taotai of Shanghai, in regard to the Silk Manufacturing Company started under the auspices of Mr Thomas Kingsall, and others, and the Silk Filature of Messrs. Iveson & Co., and Russell & Co.,

As you will observe H. E. requests me to cause the Filature of Messrs Russell & Co., to be closed, which I have declined to do. I also enclose copy of my reply to the Friend-

ly

Ent

-ent, transmitted to him yesterday, as he has been at Nanking for about ten days. I may state that I view the Taotai's communication as merely formal, as he must be aware that the position he has assumed is untenable, and that his request would not under any circumstances be acceded to by the foreign officials. Mr. Hughes N. B. M's Consul has also addressed a strong letter to the Taotai upon the same subject.

I have received your telegraph instruction of 23rd instant, which shall be strictly complied with.

I may say that no fur-

ther

-thin steps have been taken to prosecute Mr Wetmore's Comprador Mr Kung. The investigation of the charges brought against him and Yii Shao Shan, is now very anxious to withdraw them, as he has entirely failed to comply with Soo Teung Tang's instructions to produce evidence to substantiate them.

I am &c

(Signd) F. D. Cheshire
Vice Consul General in charge.

Enclosure.

No. 1. Taotai to Mr Cheshire.
" 2. Mr Cheshire to Taotai.

Intendent Shao to Mr Cheshire:

The writer received on the 4th day of the 4th moon of this year (Aug. 20th) a communication from N. E. Tei, the Governor of Chiang Su, wherein he states that he has heard that some foreigners have organized a company at Shanghai for the manufacture of no-pan tüan (satin) with machinery and (that the capital is raised by the issue and) selling of shares.

Now, although no-pan-tüan is only one of the kinds of Chinese silk fabric, yet if such goods can be manufactured by machinery, it would seem that

the

the Nanking and the Soochow white satin, the Chi-chiang, Ning chow silk and Hu-tsou crape - and the Chen-chau silk can also be manufactured with machinery, which would surely prove detrimental to those of our people who are engaged in the silk industry. One half of the inhabitants of Chiang-Su and Chek-kiang are engaged in farming and the other half in weaving silk, and the number of natives dependent upon the latter industry for their maintenance is almost incalculable. Now should foreigners introduce and use machinery for the purpose of weaving silk,

the

the difference between the amount of work done by manual labour — and that done by machinery being very great, the latter system, it is feared, would render the Chiang-su and Chih-kiang people helpless, which would be very detrimental to their interests. H. E. instructed the writer to inquire thoroughly into the matter and to cause the foreign merchants to cease carrying on their enterprise.

The writer also received from H. E. Tso, Minister Superintendent of Southern Trade a copy of an answer to a petition presented by Kao Jen Hwo, a Chinese

Satin

satin merchant and others wherein they stated that the establishment of a company by foreigners for the purpose of weaving satin with machinery would deprive the Chinese of their means of support, namely, that of weaving; and they requested H. E. to investigate the matter and prohibit the operation of the said company. H. E. instructed the writer to make a thorough investigation and take the necessary steps to prevent the carrying on of the enterprise.

On receipt of the above instruction the writer accordingly transmitted instructions to the united Court Magistrate Chen

to make a thorough investigation into the matter. The Officer reported that he had made inquiries and learnt that the aforesaid company is placed under the immediate management of Ku Pei Chi (Liao Sung) and that from a personal interview with him he ascertained that the company was started for the purpose of manufacturing silks such as are suitable for the foreign market, and not for the particular purpose of making mo-pan tüan (Satin), that he acted as an agent in selling shares, but on perceiving that the company would conflict with the general interests of

native

native weavers), he resigned - returned his shares
his position and declined to
sell any more shares; that now
Mr. Kingsmill, an English merchant,
is the director of the affairs of the com-
pany and the shareholders, both
Chinese and Foreigners, are indeed
not few. Being under instructions
to investigate the matter, the Magis-
trate had the prospectus in English
of the said company translated in-
to Chinese in a concise form
and submitted it to the mitr.

From the translation -
submitted with the magistrate's
report, it appears that the com-
pany was organized at Shang-
hai to weave silks for foreign

markets

markets with machinery that the capital is 300,000 taels divided into 3,000 shares of 100 taels each. The first call is for half of the amount to be paid at once, the other half to be paid up when the money is required. The directors are Messrs. Ringer of the Têh Hsing hong, Krauss of the Chen Lung hong, and King's mill of the Yau Hsing hong, and the Secretary is Mr. Anderson of the Hsing Tao hong. The object of the company is to establish a factory to reel silk with machinery which is to be used in making fu-chou and fang-chou silk textures as well as all other kinds

kinds of silks and satins; also to dye silks. The manufacture is especially for foreign markets, and it is not the intention of the company to interfere with the interests of Chinese silk merchants.

The writer would beg to observe that of all exports of Chinese goods to foreign countries that of silk is of the greatest importance. Ever since Chinese subjects began to reel silk to sell to foreign merchants there never has been an instance of foreigners bringing foreign machinery into China for that purpose. Now the step taken by the Jëh Hsing and other firms to start a satin manu-

facturing

facturing company at Shanghai first to reel raw silk, then to make silk fabric with machinery is the same as altering the raw silk produced for exportation into some other article, which would deprive Chinese who depend on silk reeling, of their means of support. The difference between the various patterns of Chinese and Foreign silk goods is small, to be sure, but if the entire manufacture be of foreign patterns, a great many Chinese would be glad to adopt the new style, and the trade in Chinese patterns would suffer in consequence. Moreover, Ju-chou and Jang-chou are both Chinese styles of silk and if the

said

said company intend to make these, it is clear that the manufacture will not be entirely confined to foreign patterns and especially to meet the demands of foreign markets.

To employ machinery in reeling silk and weaving silk goods is the same as to compete with Chinese subjects for gain; it would deprive them of their means of livelihood and seriously affect the revenue of China. The Intendant has thoroughly examined all the Treaties of China with foreign countries, but he has failed to find any article which permits foreign merchants to alter the methods of making native goods.

It

It would not seem right for any foreign firm at Shanghai to carry out their plans arbitrarily in violation of treaty stipulations.

The writer also received a letter from Mr. Hart, the Commissioner of Customs at Shanghai, wherein he stated that during the present year the English firm Kung Ping and the American firm Chi Chang had established Filatures at Shanghai and by means of machinery reeled silk from cocoons which were brought from the interior. Silk cocoons, the writer begs to state, is a product native of China, and it is decidedly not right and proper that the

Kung

Kung Ping and the Chi Chang firms should start Filatures at Shanghai and change the method of reeling silk by the use of machinery. Now the Sèh Hsing and other foreign firms likewise desire to imitate the plan adopted by the above named firms to change the modus operandi of reeling silk from cocoons and in weaving silk fabrics, and if they gain one step they will take another.

The Chinese who depend upon reeling silk and weaving silk goods for their support are countless in number, and they would be in a pitiable plight if they were sud-

-denly

-denly deprived of their employment, and the means by which they obtain their support. Moreover the question of the support of such a large host of people, it is feared, under the circumstances will lead to trouble and complications.

It is the wish of the Viceroy as well as that of the Honourable Consul General and all the Consuls at this port that the business relations of Chinese and foreigners be conducted harmoniously, that they be prosperous and that peace and quietness prevail among them. Now, it seems that foreign merchants are trying to do away with the native system of reeling and weaving silks-

and

and are taking steps to introduce and use foreign machinery instead.

This would interfere with local industries and the means by which the natives obtain a livlihood and prove detrimental to the interests of the country.

The writer therefore is in duty bound to obey the instructions of the Viceroy and the Governor and to request that the above said establishments be closed.

On considering the matter, moreover, the writer begs to state that the foreign merchants connected with the Kung Ping and other foreign firms are all honourable and respectable men and have

hitherto

hitherto carried on their mercantile pursuits in a legitimate way. Of this the Intendent is well aware, and hence he believes that these gentlemen would not enter into an enterprise which would benefit themselves at the expense of others. Now, with reference to the enterprise started for the manufacture of silk goods, the writer is inclined to believe that it is a scheme concocted by designing Chinese to acquire gain, having induced foreign merchants to place the management under their names and they themselves exercise secret direction.

They first rely on the name

and

and assistance of the foreign firm to carry out their intrigue. Later on failure or some like calamity may befall them and then they will shift the blame upon the foreign merchants, declaring that they had nothing to do in the matter.

This would have a detrimental effect on the name and reputation of the foreign merchants, and once they are duped it will then be too late to repent.

It is essential therefore, to request all the said foreigners to avoid the evils that may arise from such a course and to point out without delay the names of the Chinese who induced them

them to start the enterprise, so that it may be convenient for the Intendent to direct them for trial; also that he may ascertain and report to his superiors whether Hu Siao-Sung who had the direct management of the company did really or not return his shares and resigned his position; also that the foreigners connected with the Silk Filatures and Manufacturing Companies shall be instructed to close their establishments at once so as to avoid trouble and complication.

Besides communicating to the British Consul in this matter, the writer as in duty bound makes this communication to the Honourable

Honourable (Vice) Consul General and begs that he will make an investigation of this matter.

A necessary communication addressed to F. D. Cheshire, Esq. United States (Vice) Consul General (in charge)

Kwang Sü, 8th year, 9th moon, 30th day.

Mr. Thistlee to Mr. Shao.

Shanghai, Nov. 23rd, 1882

Sir,

I have the honour to acknowledge the receipt of your Excellency's despatch which I received on the 11th instant in regard to the silk Manufacturing Company started by Mr. Thomas Kingsmill and others and the Silk Filatures of Messrs. Iveson & Co., and Messrs. Russell & Co.

You requested me to instruct the latter firm to close their establishment as the use of machinery in reeling silk is calculated to interfere with the native silk weaving industries and also affect the revenue of China

China &c.

In replying to this communication I have the honour to inform your Excellency that I cannot agree with the arguments you advanced in support of the position you have assumed with a view to having the operation of the above named establishment stopped namely that to reel silk by machinery would prejudice native silk industries and affect the revenue of China &c., for it is my belief that such is not the case, but that they are a great benefit to China and her people.

It is my purpose to discuss only the matter of Filatures (silk reeling) in

in this despatch and to do so under two headings.

Firstly. Have foreigners a right to establish Filatures and other mercantile enterprises in China under the treaties?

Secondly. Are Filatures a benefit to China and her people, and do their working in any way interfere with the revenue of the country?

First. I may observe that under Article VII. of the French Treaty citizens of the French Republic are permitted to carry on trade and establish industries at all of the treaty ports in China, and in the 30th Article of the United States Treaty it reads: "The con-

"tracting

"tracting parties hereby agree that,
"should at any time the Ta Tsing-
"Empire grant to any nation, or the
"merchants or citizens of any nation,
"any right, privilege or favour, con-
"nected either with navigation, com-
"merce, political, or other intercourse,
"which is not conferred by this Treaty,
"such right, privilege, and favour
"shall at once freely inure to the
"benefit of the United States, its
"public officers merchants, and cit-
"izens."

Now as French citizens are permitted under the French Treaty to establish industries in China, hence Messrs. Russell & Co., have also a right under the 30th Article

Article of the United States' Treaty to reel silk by machinery which is included in the category of industries. The same privileges should be granted to that firm as are accorded to French citizens under the Treaty.

Further to discuss their right from a reasonable and equitable stand point, I may inform your Excellency that, in the United States, Chinese are at liberty, whenever they choose, to engage in any mercantile enterprise without restriction, and common justice demands that Americans in China should enjoy the same privilege and be treated in the same way in the

matter

matter of carrying on industries.

Second. Messrs. Russell & Co., started their Filature in 1878-1879 and its product has been entirely exported to foreign countries in the raw state nothing being sold locally to Chinese or others. Their regular staff employed in the Filature is 345 men and women, working during the whole year, to whom they pay annually over Rs. 15,000.- At the opening of the season - in May, June, July and the first part of August - Messrs. Russell and Co. also employ an additional staff of from 200 to 600 men, all of whom receive handsome salaries. Employment is therefore given to a class of na-

-tives

lives who have hitherto had no regular means of support, and who are enabled from the good wages they receive not only to support themselves comfortably but they can also save money.

Then again, during the past few years, owing to the increased demand for cocoons to supply the foreign filatures the natives in the interior have been stimulated to increase the production by planting additional mulberry trees, so that they may increase this branch of trade and make more money; and at the same time they continue to carry on their regular silk business, which is in no way

interfered

interfered with. It will therefore be seen that the reeling of silk in the foreign Filatures has not proved detrimental to the interests of native industries, but on the contrary have been a source of additional benefit to the Chinese.

In what respect, as Your Excellency has observed in Your despatch, has the native silk trade been prejudiced by the establishment of the Filatures?

As to the question of affecting the revenue, which Your Excellency alluded to, may I ask you if you are not aware that when foreigners purchase cocoons in the Interior they pay the inland

taxes

taxes (lekin), and after the silk is reeled and ready for Export the usual half duty is paid, and that they pay more money in dues and duties in this way than they do when they purchase raw silk in the Interior? It is easy to prove the validity of this statement, hence there is no need for me to go into full details just now.

I may also state that Messrs. Russell Bro., have requested me to extend to Your Excellency an invitation to visit the Filature if agreeable to you.

I have &c

(Signed) F. D. Cheshire.

U. S. Vice Consul General in Charge.

His

Mr Cheshire to Taotai - a note.

Shanghai, Nov. 24th, 1882.

Sir,

In my despatch to Your Excellency dated Yesterday I informed and referred to the payment of "half duty" on Exportation of the silk ruled in Messrs Russell & Co. Estature.

I should have stated "full duty." I meant by "half duty" the amount paid when the cocoons reached Shanghai under Transit-pass.

Please make this note a part of the despatch I addressed you yesterday, and oblige me.

With compliments.

Despatch No. 69.

Enclosure 2.

French Concession.

x x x x x x

"The Taotai of Shanghai has taken another step in the Nanking policy regarding foreign industries here. He has addressed a despatch to the British and United States Consuls in regard to the silk filatures of Messrs Dixon & Co., and Russell & Co., and the silk manufacturing company recently projected by Mr Kingsmill. He considers that these will seriously interfere with the local native industries, and requests that the filatures shall be closed. Nobody will be surprised at this; it follows, almost naturally, from his attempts to obtain the arrest of the two Chinese under the Viceroy's secret warrant, and enough was

known of Tso Tsung-t'ang's opinions to make it certain that the despatch which has now been sent to the Generals would not long be delayed."

x x x x x .

"We hear that the Viceroy of Nanking has had a stroke of paralysis. It appears that on the opening of the examinations, when the Viceroy proceeded to the Examination Hall, there was a strong, chill wind blowing, and His Excellency caught a very severe cold. Ten days ago, when the two Imperial Examiners left Nanking for the capital, the Viceroy, attended by numerous other officials, escorted them on board the steamer. The Examiners being in a way the special ambassadors

and representatives of his Imperial Majesty, it is the etiquette for every official to kneel and deliver a message to them for transmission to the Emperor enquiring after his health. Yao Yung-tang complied with the requisition, but on his assuming the attitude which proved a source of so much physical pain to him during his sojourn at Peking, it was found that he was unable either to speak or to rise. The attack is said to have been of a paralytic nature. Telegrams from various officials were sent to Nanking yesterday after-noon enquiring after His Excellency's condition, and replies have now been received to the effect that he has rallied. But his condition is no doubt very critical. The

complication of disorders
from which he is suffering
constituting something very much
like imminent danger"

Extracts from North-China
Daily News.

Wednesday, Nov. 22nd 1882

"We hear from Nanking - but give the news with the fullest caution and reserve - that the Taotai met with a particularly cold reception at the Viceroy's hands. The Viceroy is said to have expressed very serious disapprobation at the Taotai's interference with the electric light, and to have commanded him at once to rescind the order; also, to have issued a warrant for the release of the ghroff now in custody. His Excellency is further credited with having spoken in very cordial terms of foreigners, and even to have intimated a wish that they would come and take possession of the settlement marked out for them at Nanking,

where, he says, he would be very glad to give them every facility for carrying on business, including a Custom-house. We must add that we have strong reasons, which we are not at liberty to publish, for doubting the above statement respecting the electric light."

"Electric Light - Interference by Chinese Authorities.

Shanghai, 15th November, 1882

Sir, The Superintendent of Police has reported to the council that runners from the Mixed Court have been visiting the dwellings of those Chinese in the Settlement who have adopted the electric light, warning them to discontinue its use.

The Council desired me to draw your attention and that of the Consular Body

to what they consider an unwarrantable interference with the lawful avocations of Chinese residents in the Settlement, and one which may lead to disturbances, and they trust that the Consular Body will make such representations to the Chinese authorities as will prevent a repetition of such proceedings.

I have the honor to be,
Sir,
Your obedient servant
W. C. Ward,
Chairman

To Dr. Focke,
H. I. G. M's Consul General,
and Senior Consul.

Shanghai 16th Nov. 1882

Sir,— I have the honor to acknowledge receipt of your letter, dated the 15 inst., in which you draw my attention to the fact

reported to you that runners of the Mixed Court have been visiting the dwellings of those Chinese in this settlement who have adopted the electric light, warning them to discontinue the use, and request that the Consular Body would make such representations to the Chinese authorities as would prevent a repitition of such proceedings.

In reply, I beg to state that the matter referred to is already under the consideration of the Consular Body, who have informed the Taotai that they object to the position he has taken up with regard to the use of the electric light in Chinese houses.

I have the honor to be, Sir,
Your obedient servant,
Focke,
H. G. M's Consul General

and Senior Counsel.

To W.C. Ward, Esq.
Chairman, Shanghai Municipal
Council."

"Mr Kung, the prime instigator of the charge against the comprador Wang K'ieming, has we hear been diligently engaged during the last few days in going through all the archives of the Mixed Court in the hope of finding something that will implicate the accused man of former complicity with the rebels. He has, however, to his great disgust, been wholly unsuccessful. The only case in which the man's name appears is some trifle which has nothing to do with the matter whatever. Kung has now gone to Nanking; and Mr Chin is credited with having humorously suggested that he will pursue his investigations along

the banks of the river en route,
in the desperate hope of finding
something by the time he
arrives.

From the North China Daily News
October 23, 1862.

"A case has now arisen which suggests the possibility of the Council being eventually compelled to act under the guidance or with the assistance of this Court. We have already expressed our astonishment and regret at seeing a man of the experience and reputation of the Viceroy of Nanking taking so unconstitutional and extraordinary a step as to the attempt the apprehension of a Chinaman in foreign employ upon a secret warrant. It is clear enough that the charges mentioned in this document are not the true ones. To arrest a peaceable and law-abiding subject, residing in a foreign settlement, upon an accusation of having in former years sold arms to the rebels, or been guilty of some sort

of complicity with them, is a step which in itself is calculated to suggest the strongest suspicions of its bona fides. Circumstances to which hitherto we have only referred very briefly led us to believe that the real reason of the outrage contemplated lies in the jealousy of certain persons interested in the establishment of a cotton-spinning manufactory, and that it is with a view to crushing a rival organization that a Chinaman in its employ has been marked out for arrest. This, however, by the way. The sense in which the issue of such a warrant may be rightly regarded as an outrage lies in the fact of the Viceroy's astounding assumption that the

Municipal police will cooperate with the yamen runners from the city to apprehend a certain person, and that "in secret." The Viceroy's notions of foreign customs in these matters must be elementary indeed. He accepts as a matter of course the right of yamen runners to make what arrests they choose; he considers, apparently, that the Municipal police have only to be asked by the Chinese to perform a certain act, to yield prompt and unquestioning obedience; and shows a couple and most refreshing unacquaintance with the Settlement Regulations of the Settlement. There is one By-law which may be submitted for the consideration of His Excellency. The Municipal police are "authorized" to

execute within the Settlement
all warrants issued by any
Court or Magistrate having
jurisdiction within the Settlement
for the arrest of persons charged
with crimes or offences other
than political. But they shall
not arrest any person on any
charge of a political offence
whether alleged to have been
committed within or without
the settlement. This, we think,
is clear enough. His Excellency
must not count upon the
Municipal police, at any rate
to assist him in the sudden
retribution he seeks to visit
upon the unlucky comprador.
If the Yamen runners are to
arrest the man at all, they
must do so without foreign
cooperation; and, we may add,
they will do it at the peril
of their own authorities. But
as a matter of fact, the Chinese

officials have already recognised the right of foreign authorities to interfere by requesting the countersignature of the American Acting Consul General to the warrant. a demand which was very properly refused. Of course the Chinese have a right to arrest a Chinese criminal in the settlement if such arrest does not infringe the Treaty rights of foreigners and any foreigner, whether he belonged to any police force or not, who should forcible hinder them in so doing would be liable to imprisonment. The 18th Article of the United States Treaty with China provides that if any criminals, subjects of China, take refuge in the houses or on board the vessels of citizens of the United States, they shall not be harboured, but shall be delivered

up to justice on due requisition by the ~~American~~ Chinese local officers addressed to those of the United States. The inapplicability of this Article, on which the Viceroy probably acted, to the case in point, is, however, clear. In the first place he addressed no requisition to the American Consul, but issued a "secret warrant" In the second place, it applies only to criminals. If the pirate Kuang Chin-man, for instance, were known to be hiding anywhere within the foreign settlements, it would clearly be the duty of the foreign authorities to give him up. His criminality is a matter of public fame and the man himself is every sense of the word a criminal. But it is not so with the persons now concerned

even according to the secret warrant itself. The words run, "It is reported that a certain man" &c; and in the case of the comprador of Fung-tai Hong, that "he is found to have given assistance to the rebels in former years." Thus, one man is to be apprehended on the strength of an idle rumor, and the other because it is alleged to have been "found" that he had complicity with certain thieves or rebels undescribed at some time which is not stated. The case is clearly one for prompt action"

~~Extracts from the North China Daily News.~~

[From the North China (Shanghai) Daily News. Oct. 20. 1882.]

"Something more might be gained if Chinese capitalists could be alarmed, and prevented from join-ing with foreigners in under-takings likely to be advantag-eous to Shanghai, the prosperity of which is a standing reproach to their own misgovernment. The growth of confidence between foreigners and Chinese and their uniting in business affairs is felt by every official to be a severe censure on them and the state of things in China which they have brought about. Chinamen who have anything to lose hold aloof from their officials, and prefer to keep their money idle rather than risk it by showing any enterprise. An opportunity for crushing those Chinese who have

interested themselves of late
years in local undertakings
seemed to be offered by the
establishment of a manufac-
turing company, which proposed
to establish itself here in the
face of the abortive native con-
cern that claimed to have had
a special monopoly conferred
on it by Li or some one. Hence
the issue of a warrant by Tso
Tsung tang. Regarding this docu-
ment we hear, and are inclined
to place belief in the statement,
that the instructions from
Nanking are that if the foreign
Yarn Company is abandoned
no further steps will be
taken, and the charges of
evading taxes and duties,
and of aiding and abetting
rebels and thieves during
the last rebellion will be
relegated to oblivion. That
such a thing should be

considered possible of a mandate from Viceroy Tao shows the true nature of the whole proceeding: that it is nothing more than an attempt on the part of the officials to destroy the progress which Shanghai has recently been making as a manufacturing place. If this attempt be successful other industries will be attacked. We believe that a good deal of Chinese capital has lately been invested in silk filatures, godowns, and other companies, and the managers of these may rest certain that the native shareholders will withdraw their money if this attempt of the mandarins is not promptly repulsed."

Warrant for arrest of Mr Wetmore's compradore.

"An order for the discovery and apprehension of certain persons:
1 Instructions from the Customs Taotai say that orders were received from the High Commissioner of the Southern ports, Viceroy Yeo. saying.
2 That it is reported that a certain Yü Sau man by the name of Yu Sao-sau founded. lately borrowing the name of a British merchant in establishing the hotel Tong Foo Cheong is evading the proper taxes and levies.
3 Also a certain Ningpo man Wong Kenming by name now occupying the position of interpreter in Tung Sai & Co. is found to have given assistance to the rebels in former years: that

4. That above named persons must be immediately taken into custody. The Chinese is instructed to arrest them secretly and promptly and to have them forwarded for trial; that
5. The city police cooperating with the police of the Settlement and the Tepas are to apprehend without delay and in secret the said Yu Sao san proprietor of Tong Fo Cheong & Co. and Wong Ku Ming the interpreter of Tung Tai & Co. and on the day of their arrest to forward them for trial.
6. Let no time be wasted in making the arrest. This is the proper warrant."

[From the N. & H. China Daily News — Nov. 2. 1882.]

"References are made to the existence of Russian factories in other treaties, and here they are alluded to in connection with possible raids on Russians by the Kirghis, in which case the factories would be found convenient receptacles for the merchandise brought by Russian caravans. In fact the right of Russians to establish manufactures is everywhere taken for granted; and this, in connection with the distinct permission accorded to the French, should be held sufficient to prove our point. Besides, they have existed for years, and have been protected by the Chinese authorities. We do not remember that, when complaint was made to the authorities of Foochow of the incen-

diamond by which a large Russian tea factory was destroyed, the Chinese declined to recognise its existence, The exact reverse was the case. Even if the right were not acknowledged by Treaty, the mere fact that there are Russian brick-tea establishments without number, silk filatures in various places, cotton mills at Canton, and various factories of different descriptions here at Shanghai, some of which have even been interfered with by the authorities, is of itself an argument against their illegality. It is plain enough, as soon as one comes to look into the matter, that the right to establish factories on Chinese soil is given by Treaty, and that the Chinese are perfectly well aware that

such is the case. We may be sure that if they thought they had the power to shut them up they would have done so years ago."

No. 70.

W. Means

Legation of the United States.

Peking, December 11th, 1882.

DEPARTMENT OF STATE
JAN 23 1883
RECEIVED

John Russell Young to the Secretary of State.

Subject.

Customs Medical Reports.

Synopsis.

Sends, under separate cover, three copies of these reports for the half year ended March 31st, 1882.

No. 70.

Legation of the United States.

Peking, December 11th, 1882.

Honorable F. T. Frelinghuysen,

Secretary of State.

Sir:—

I have the honor to forward herewith, under separate cover, three copies of "Medical Reports for the half-year ended 31st March, 1882," as published by the Imperial Maritime Customs.

I have the honor to be,

Sir,

Your obedient servant.

Jno. Russ. a Young.

E. Williams

No. 71. One Enclosure.

Legation of the United States.

Peking, December 14th, 1882.

DEPARTMENT OF STATE
JAN 23 1883
RECEIVED

John Russell Young to
the Secretary of State.

Subject.

Case of Rev. J. Fisher Crossette.

Synopsis.

Mr. Crossette has reached Peking and applied to the Legation for a passport to travel in the interior of China. Summarizes the case, and gives reasons for refusing to issue a passport.

No. 71. One Enclosure

Legation of the United States.

Peking, December 14th, 1882.

Honorable F. T. Frelinghuysen.

Secretary of State.

Sir:

Mr. J. F. Crossette called at the Legation a day or two since and asked for a passport to enable him to "visit the "interior of China" and pursue certain educational and missionary labors. 1/71.

The case of Mr. Crossette is familiar to the Department and may be found detailed at length in the despatches of Mr. Holcombe, numbers

numbers 137. and 148, and in
my own despatch number 15.
You will remember that Mr.
Holcombe, in response to the
representations of certain friends
of Mr. Crosette, that he was
not in possession of sound
mind and was in constant
personal danger from want,
exposure, and the unfriendliness
of an interior population who
knew nothing of foreigners and
regarded them with aversion,
asked the advice of certain
medical gentlemen in Tientsin
as to his condition. This
advice was that Mr. Crosette
should be in the safe keeping
of friends, and that he was not

a

a proper person to be
allowed to wander alone and
at will through China. An
order was made therefore
directing the Consul General
to send Mr. Crossette home.

These proceedings were
approved in your despatches,
numbers 36. and 42.

Upon arriving at
Shanghai Mr. Crossette
applied to Consul General
Henny for a writ of habeas
corpus. This writ was granted.
The question of insanity was
again tried, and Mr. Henny
upon a hearing of the writ,
and upon the advice of other
medical gentlemen in Shanghai,
adjudged

adjudged Luo Crossette to be sane and released him. All the proceedings in this hearing form an enclosure in my despatch number 15.

Since his release Luo Crossette has been going about from place to place, the Legation hearing of him from time to time. Finally he reached Peking having walked from Tientsin. In his conversation with me, making application for his passport, he represented that the question of his sanity had been determined in his favor, that he was a free man and an American citizen. He claimed

the

the passport as his right.

I said that the proceedings to which he referred, namely the action of Mr. Holcombe and the hearing by Mr. Henry, had taken place before I was Minister, and, not having come before me officially, I was not competent nor would it be becoming in me to express an opinion. At the same time, as the action of Mr. Holcombe had been approved by the Department, I might, if I followed custom and precedent, regard the determination of the Government as having been taken, remo Mr. Holcombe's mandate, and send

send him home. The action of Mr. Henry, acting as a Judge had also gone forward to Washington. The difference between Mr. Holcombe and Mr. Henry was a difference of opinion between two high officials whose ideas of duty were at variance, and it was for the Government to decide which view of official duty was correct. I was now awaiting that decision which would be a valuable precedent in our administration of the law, and I would prefer not to grant the passport until it was known. As any mail would bring an answer there could

could be no special hardship.
In the meantime I told Mr.
Derosette that, while waiting,
he might consider himself
under the protection of the
Legation, and that I would
cheerfully supply any of his
wants. I also told him that
I would rather he would
return to Chefoo or Tientsin, but
I laid no stress upon that, &
merely asking him to remain
within summons so that I
might acquaint him without
delay with the Government's
decision.

I have the honor to be,
Sir, Your obedient servant.

Jno. Russell Young.

Enclosure

Enclosure.

1. Inv. Iroquette to Inv. Young.
Inv. 63/1882. December 7th/14, 1882.

Despatch No. 71.

Enclosure

Copy.

Mr. Crossett to Mr. Young.

63/1882. Peking, December 7th, 1882.

To.

H.E. U.S. Minister to China.

Wishing the privilege of travelling in the "Eighteen Provinces" I apply for the usual passport furnished to U.S. Citizens visiting the interior of China.

(Signed) J. Crossett.

Chinese name. 戈隋

Born 1844.

Ack by mo + file

Full

No. 72. Two Enclosures.

Legation of the United States.

Peking, December 12th, 1882.

DEPARTMENT OF STATE JAN 23 1883 RECEIVED

John Russell Young to the Secretary of State.

Subject.

Chinese interference with German interests at Swatow.

Synopsis.

Gives a newspaper account of an act of interference at Swatow and the summary action taken by the German authorities. Has communicated details to Admiral Tebets. Regrets the course adopted by the Germans.

No. 72. Two Enclosures.

Legation of the United States.

Peking, December 12th, 1882.

Honorable F. T. Frelinghuysen.

Secretary of State.

Sir:—

In my despatch number 69. I gave the Department a narrative of our discussions with the Foreign Office upon the question of the rights of foreigners to manufacture at the treaty ports. I reported an incident at Amoy where there had been an interference by the Chinese authorities with a German iron business, and the action of the German Minister upon

upon the subject. I have
now the honor to enclose a
1/72 newspaper clipping containing
an account of an effort by
the Chinese to disturb the
rights of a German resident
at Swatow, and of the "
summary proceedings taken
by the German authorities to
prevent it.

This incident will
have value as throwing light
upon the temper of the "
Imperial Government towards
all foreign industries in "
China.

As I wrote to Admiral
Seitz on the 24th of November
in reference to our affairs at
Shanghai

Shanghai, I thought it best
to acquaint him with this
incident in a letter which 2/72.
I enclose.

I may venture to say
that the action of the Germans
at Swatow was viewed by the
Legation* with regret. I have
had no occasion to give an
opinion, and merely express
one now as a duty to the
Department. Unless in the
presence of actual massacre
and outbreak, as was seen
at Tientsin in 1870, or of
efforts to disturb by violence
peaceable Americans, I should
deplore force for any show of
force. There are, however, many
wise

* That is, the U.S. Legation. The
German Legation approved the act. AAA.

wise, just and experienced men
in the East who believe that
force with the Chinese really
means humanity, and that it is
the only argument they will
respect. I cannot see, however,
that America has any
difficulties that cannot be
settled by diplomacy. I
understand the urgent almost
imperative provocations which
inspired such manifestations
as that of the Germans at
Swatow. At the same time
I hold to the hope, which
experience alone can destroy,
that, in the long run, America
will have a more potent and
wholesome influence in Asia
by

by forbearance and a consideration than by displays of naval power.

I have the honor to be,

Sir.

Your obedient servant.

Frederick Young

Enclosures.

1. Extract from North China Daily News.
2. Mr. Young to Admiral Lelitz. 48/1882. December 11th. 1882.

Despatch No. 72.

Enclosure 1.

North China Daily News.

Extract.

A German firm here hold or say they hold something like three hundred feet of river frontage land next to the Customs House, but this is also claimed by the Chinese officials, who dispute the validity of the foreign houses deed. The matter has now been under dispute for some time, and the German Vice Consul Schan obtained the assistance of Mr von Mollendorf, Vice Consul from Canton and Captain Hollman S.M.S. Elizabeth. The native officials it is said would not explain the reason why the deed was not valid, but merely refused to acknowledge it. On Saturday morning posts marking the property limits as Chinese government land were put up. Captain Hollman ordered the authorities

that if these marks were not removed by nine o'clock Sunday morning he would remove them by his own men and take possession of the property. The posts were not taken away, and at nine o'clock yesterday a company of sailors were landed from the Elizabeth with an officer in charge, who planted a flag staff on the disputed land and hoisted the German flag. They then removed the posts and placed boundary stones of their own. The two Vice Consuls and Captain Hellmann witnessed the ceremony in full uniform. The sailors were marched on shore with fixed bayonets and some few of them now keep guard over the place night and day fully armed.

Despatch No. 72.
Inclosure 2.

No. 48/1882. One Enclosure.

Minister Young to Admiral Clitz.

Peking, December, 11th, 1882.

Sir,

I had the honour to write you on the 24th ultimo, a confidential letter in reference to our relations with China. Since then I have no news of any special importance except this, that the Viceroy of Nanking evidently sees his mistake in attempting to arrest the compradore of Mr. Wetmore and interfere with that gentleman's business. I am in hopes that the united action of the foreign representatives in Peking will arrest the further development of the reactionary policy which he represents and lead to a more

generous

generous statesmanship in the Imperial Councils.

I send for your further information an article from a Shanghai newspaper. The German Minister informs me that its statements are true and that the action of the naval officers was with his consent and approval. This extract will also show that the disposition to interfere with foreign interests on the part of the Chinese has extended to other ports than Shanghai.

I do not apprehend that the Chinese will attempt to carry out an anti-foreign policy except by proclamations and intimidation of their own people - like what we have seen at Shanghai. Although this has proved effectual so far as disturbing our interests are concerned and is to be deplored and resented, we can do no more than make a diplomatic protest.

I am &c.

(Signed) John Russell Young.

No. 731 Five Enclosures.

Legation of the United States.

Peking, December 12th, 1882.

DEPARTMENT OF STATE
JAN 23 1883
RECEIVED

John Russell Young to the Secretary of State.

Subject.

Chinese interference with petroleum trade.

Synopsis.

Refers to despatch number 46. and encloses despatch from Prince Kung. Have directed Consuls to investigate statistics of this trade and report. Future action to be guided by these reports when received.

No 73. Five Enclosures.

Legation of the United States.

Peking, December 12th, 1882.

Honorable F. T. Frelinghuysen.

Secretary of State.

Sir:-

In my despatch number 46. I forwarded certain correspondence between the Legation, Hon. Consul General Henny, and the Foreign Office in reference to the proclamation of the Intendant at Shanghai forbidding the use of Kerosene by the Chinese population. Hon. Henny reported that these proclamations had been published in Kiangsu and Chekiang

Chekiang, the two most
populous provinces in China.
In his opinion, their effect was
to the prejudice of our petroleum
trade. In Shanghai the people
were admonished to use the
native oils in preference to the
American. The reason given
for the interdict was that fires
had been occasioned by
kerosene. "During the present
"year, said the Chinese official
under date of May 28th, 1882,
"there have been several fires at
"Shanghai with disastrous results
"to many households, the cause of
"these being the careless use of
"kerosene oil lamps."

Mr. Denny, in addressing
the

the Chinese authorities, called
attention to the fact that "
petroleum was "an article of
"trade specified in the trade
"regulations agreed upon between
"China and the United States".
Discussing its qualities as an
article of domestic economy, Mr.
Denny pointed out that it
was not so dangerous "as the
"use of firecrackers, and
"firecrackers which are "
"manufactured of gunpowder
"are to be found every where and
"the least carelessness in their
"manufacturing or use would
"cause much more disastrous
"effect than Kerosine oil".
Mr. Denny, in his report to the

Legation

Legation, said that the opinion was prevalent in Shanghai that these proclamations "had been "issued through the influence "of the manufacturers of native "oils who are strong opponents "to the extended introduction of "kerosine."

The subject was brought to the attention of the Foreign Office as a violation of the treaty which recognized "petroleum as "a legitimate "object of export and import "trade". The Foreign Office was also reminded that the trade was important to American merchants and its importance was shown in the large

revenue

revenue derived from it by the Customs at Shanghai and other ports.

H. I. H. promised to give the matter his attention and to ask for explanations from the Shanghai authorities. Since this correspondence and my despatch number 46. the Legation has received a further communication from the Foreign Office. 1/73.

The Shanghai authorities reported to H. I. H. that "recently within the east and "west gates of Shanghai "separate and extensive "~~extensive~~ conflagrations had occurred causing the destruction

of

"of many buildings." The Prince pointed out that the proclamations had really not affected the trade, that there had been no hindrance to its importation and use by foreigners, and that the proclamations of which Mr. Henny complained "had been destroyed by the lapse "of time".

The answer of the " Foreign Office was regarded by the Legation as saying that the proclamations were a dead letter. If the Foreign Office was willing to allow the " proclamations to lapse, and the trade to seek the natural business channels, nothing was to be " gained by pressing for a more explicit

explicit answer.

The present unfortunate condition of our trade and manufacturing interests at Shanghai, however, could not permit the Legation to be indifferent to any indication however slight of a reactionary policy on the part of the Chinese. While accepting the statement of Prince Kung in the light I have endeavored to throw upon it, Hon. Cheshire was instructed to make careful inquiry and report to the Legation upon the condition of the petroleum trade, and, especially its fluctuations during the past few years. 2/73

This

This would show how much it had suffered, and whether the Chinese interdict had really been harmless, or had inflicted material injury.

3/73. Similar instructions were sent to Ningpo from whence there had been a report that the local officials were issuing decrees against the use of petroleum. A circular despatch was sent to the other

4. 5./73. Consulates to make inquiry in the same spirit. When these reports are made the Legation will be able to understand the condition of the trade and how far it has been affected by the opposition of local officials.

Should

Should it prove as the Legation is now disposed to believe, that the opposition of the local authorities to the use of petroleum has been practically withdrawn, I shall consider the incident as closed. Should the contrary appear, it will be my duty to bring the subject to the attention of the Foreign Office and to insist that petroleum is a blessing and in no way a detriment to mankind - that the trade in it is an honest business under the protection of the treaty, and the Chinese while governing its use, and the character of the oil offered for sale by prudent police precautions, as is done

in

in Western nations, have no right to destroy the trade.

I trust that the Department will approve my action, feeling that the Legation has only had in view the preservation and development of one of the most valuable features of our commerce with China.

I have the honor to be,

Sir,

Your obedient servant.

Enclosures.

Enclosures.

1. Prince Kung to Mr. Young.
118/1882. November 30th, 1882
2. Mr. Young to Mr. Cheshire
No. 26. December 9th, 1882.
3. Mr. Young to Mr. Stevens
No. 12. December 9th, 1882
4. Circular to other Consulates
December 9th, 1882.
5. Mr. Young to Mr. Frye
No. 13. December 12th, 1882.

Copy.

Despatch No. 73.

Enclosure 1.

No. 118/1882.

Prince Kung to Minister Young.

Upon the 20th September I had the honour to receive a despatch from Y. E. in the matter of a proclamation issued by Liu, late Customs Intendant at Shanghai forbidding people within his jurisdiction to use Kerosine oil. Thereupon, I instructed the present Taotai at Shai to take proper measures in the premises, and so informed Y. E.

I am now in receipt of a report from the Intendant. In it he states that recently within the East and North Gates of the city of

Shanghai

Shanghai repeated and extensive conflagrations have occurred causing the destruction of many buildings, all of which have arisen from the careless use of Kerosene lamps. Hence Liu Yautai issued a proclamation advising the Chinese to use bean and hemp oil in their lamps as formerly, and not to use Kerosene. This was done to prevent the calamity of fire. Mr. Consul General von Denny maintained that this action on the part of Liu interfered with the commerce of foreign merchants and requested that the proclamation be withdrawn.

Liu Yautai responded that the proclamation in question was

issued

issued to the Chinese residents within the walls of the city and its suburbs, directing them not to burn Kerosene in order to avoid fires; that it did not forbid the sale of Kerosene by foreign merchants; that the foreign establishments in the foreign concessions who were accustomed to it, were still burning it, and they were manifestly not prohibited to purchase and use it. Hence there was no interference with foreign commerce in the article. Kerosene oil is a product of both China and foreign countries. The foreign trade in it has grown from a small beginning to large proportions. It certainly could never be that the

prohibition

prohibition of the use of Kerosene in a small area like Shanghai - could affect seriously the immense commerce in it. Thus the Taotai responded.

After the present Taotai had taken upon himself the duties of his office Mr. Consul General Denny brought up the subject again, urging that the proclamation of Taotai - Liu should not be enforced, but should be withdrawn. The present incumbent thereupon examined into the records of the case, and found that the proclamation issued by Liu was posted, to the extent of a few copies only, in the city and south suburb exclusively, and

and

and not within the foreign conces-
sions. Its object was to publish in-
structions to Chinese subjects in order
to avoid the dangers of fire, a mat-
ter entirely within the scope of the
duties of the local authorities. It was
in no sense a violation of the in
treaties. Since the proclama-
tion was issued Kerosene has
been coming into the market in
its usual quantities, and has been
disposed of with the same readi-
ness as before. From this fact it
is clearly seen that no hindrance
to foreign commerce has arisen.
The proclamations issued by Lin
have all been destroyed by the
lapse of time, and hence they can-

not

not be withdrawn.

I beg to submit the foregoing report to H. E.

Hon. John Russell Young.

Yes Yes Yes Yes —

Peking, November, 30th, 1882.

Despatch No. 73.
Enclosure 2.

No. 26.

Mr. Young to Mr. Cheshire.

Peking. 9th Dec.r, 1882.

Sir,

On August 22nd Mr. Consul General Denny reported to the Legation certain correspondence that had taken place between the consulate and the Intendant of Shanghai in reference to proclamations of that official forbidding the use of Kerosene. The proclamations were inspired by the fear of fires and other accidents to person or property by the use of Kerosene. Information also came to the Consul General that restrictions of the same character were in force in Ningpo, and from

from Reports made to him, he feared that there would be a loss to the trade in petroleum which forms so large a part of our commerce with China. Mr. Denny asked the Legation to present the subject to the Foreign Office, as he believed no such dangers existed as those dreaded by the officials at Shanghai and expressed the opinion prevalent that "the proclamation had been issued through the influence of manufacturers of native oils" "strong opponents to the extended introduction of Kerosene."

The Legation has been in correspondence with the Foreign Office on this subject, and is now

in

in receipt of a communication from Prince Kung. In this despatch H. I. M. virtually sustains the local authorities on the ground that the use of Kerosene being attended with danger, its restriction is within the province of legitimate police and sanitary regulations. The Intendant at Shanghai according to the Prince has reported that "extensive conflagrations have occurred, causing the destruction of "many buildings all of which "have arisen from the careless use "of Kerosene lamps." I infer, however, from the tenor of this despatch that the government looks upon the proclamations as having

lapsed

lapsed, and become, as it were, a dead letter. "The proclamations issued by Liu", says the Prince, — "have all been destroyed by the lapse "of time, and hence they cannot be "withdrawn."

If the Foreign Office really thinks that the proclamations in "have all been destroyed by the lapse "of time," and is willing to allow the trade in petroleum to take its ordinary course, the Legation has no interest either in reviving or pursuing the discussion. Hence I have, for the present at least, — thought it best to regard the despatch of H. I. H. as closing the subject.

At the same time I bring the

subject

subject again to your notice and ask you to give it your special attention. I understand that the petroleum trade in Shanghai is in the hands of two or three houses. I would like you to make inquiries of three houses, as to the state of the trade, its fluctuations during the past four or five years and whether or not the proclamations of the Intendant have made any difference in the import from America and the use of petroleum by the Chinese. I would thank you to make this enquiry careful and thorough, as a report of the character to which I refer would be to the public interest. Should it

appear

appear from this report that the trade has been affected or is likely to suffer from these restrictions, the Legation will reopen the question with the Foreign Office.

I will thank you also to send to the Legation copies of any correspondence you may have had with Mr. Consul Stevens on this subject, or with any other Consuls in China, that you may think of value in enabling us to have an exact knowledge of how far the authorities have interfered with our trade in petroleum.

I am, Sir,

Your obedient servant

(Signed) John Russell Young.

Despatch No. 73.
Enclosure 3.

No. 12.

Mr. Young to Mr. Stevens.

Peking, 9th Decr., 1882.

Sir,

In a despatch addressed to the Legation by Mr. Consul General Denny, dated August 22nd, 1882, the following statement occurs.

"A few days ago the manager of "the China and Japan Trading Com- "pany addressed a communication "to me, wherein he stated that, the "Ningpo authorities had issued pro- "clamations against the use of Kero- "sene oil among the Chinese at that "port, which he apprehended would "have a detrimental effect upon the "trade

"trade in that article. Ningpo be-
"ing a large consuming port, and
"at his instance I communicated
"the facts as laid before me to the U.
"S. Consul at Ningpo, Mr. Stevens -
"with a view to having the proclam-
"ations rescinded by the Taotai of
"that Port."

The Legation has been in cor-
respondence with the Foreign Office
upon the subject of restrictions in the
sale of petroleum. Before continuing
the discussion I would like you to
make certain enquiries and report
the results to the Legation. Put
yourself in communication with
the mercantile houses who control
the petroleum trade, and learn

its condition during the past four or five years. Ascertain if the proclamations of the local Authorities as to the use of petroleum by the people, have made any difference in the import from America and the trade with China. If your enquiry should be careful and thorough it will be of public advantage.

The Legation would like to have this report as soon as it will suit your convenience.

I am,

Sir,

Your obedient servant.

(Signed) John Russell Young.

Despatch No. 73.

Enclosure 4.

Mr. Young to all Consuls and Vice Consuls, except at Shanghae and Ningpo.

Peking, 9th December, 1882.

Sir,

Recent correspondence with the Foreign Office arising out of representations to the Legation from the Consulate General, have drawn the attention of the Legation to the condition of our petroleum trade, one of the most important branches of our commerce with China and deserving special study and protection.

Proclamations have been made by certain Chinese provincial authorities

-thorities forbidding the use of petro-
leum by the people on the ground
that it is a dangerous commod-
ity. I do not know how far these
proclamations have been published
nor to what extent the general trade
in petroleum has been affected.

The Legation would thank
you to make careful enquiry on
these points. Report if any pro-
clamations have been issued by
the local authorities forbidding, or
in any way controlling the use
of petroleum by the Chinese. Make
enquiry of the houses who deal in
petroleum, and learn its condition,
its rise and fall and general fluc-
tuations during the past four or

five

five years. I am especially anxious to know to what extent the apprehensions of the local authorities, and the measures their fears may have inspired, have affected the trade.

A report of this kind, at your earliest convenience, will be regarded by the Legation as of Public interest and I commend the subject to your careful attention.

I am,

Sir,

Your obedient Servant

(Signed) John Russell Young

Envoy

Amoy Number 7.

Canton. -do- 12.

Chinkiang -do- 8.

Foochow -do- 9.

Hankow. -do- 7.

Newchwang -do- 7.

Tientsin. -do- 8.

Despatch No. 73.
Enclosure 5.

No. 13.

Mr. Young to Mr. Rye.

Peking, December, 12th, 1882.

Sir,

I note in a recent number of the Chinese Mail a communication in reference to affairs in Canton, from which I make the following extract:-

"The Hoppo's fleet maintains a "strict blockade, and all goods that "pass into Canton are heavily taxed, "so much so that traders can only "make a bare living with difficulty. "The last squeeze is that on kerosene "oil, to which we have previously "called attention. The Contractor or "farmer of the monopoly has the sole

"right

"right of import and sale of American
"oil, and levies such extortionate dues
"that the use of Kerosene oil will be
"much restricted. The new tax bears
"very hardly on the Cantonese work
"people, who by the aid of the cheap
"and bright light of petroleum can
"work at night at many trades for
"which the light given by seed or fish
"oil is useless or inadequate."

I would thank you to make enquiry as to the truth of this statement, and to acquaint the Legation with the facts at your earliest convenience. Any policy on the part of the local Chinese authorities, that interferes with the trade in petroleum, so important a

factor

factor in our commerce with China,
cannot be viewed without concern.

I am,

Sir,

Your obedient Servant

(Signed) John Russell Young.

Copy to Secy of Navy for his information & guidance Jan 26, 83

FILED
FOREIGN RELATIONS
1883

J Williams

No. 74 One Enclosure.

Legation of the United States.

Peking, December 12th, 1882.

DEPARTMENT OF STATE
JAN 23 1883
RECEIVED

John Russell Young to
the Secretary of State.

Subject.

Chinese Naval School at Tientsin.

Synopsis.

Forwards proclamation of Li Hung Chang giving details of management and terms of admission to this institution.

No. 74. One Enclosure.

Legation of the United States.

Peking, December 12th, 1882.

Honorable F. T. Frelinghuysen.

Secretary of State.

Sir:

I have the honor to
enclose for the information of 1/74.
the Department a proclamation
issued by Li Hung Chang in
reference to the naval school
under his control at Tientsin.

It will be interesting
as showing the progress of the
Chinese in developing their
system of technical naval
education, and the methods
employed in the management

of

of their cadets.

I have the honor to be,

Sir,

Your obedient servant.

Jas. Russell Young.

Enclosure.

1. Proclamation by Li Hung Chang.

Despatch No. 74.
Enclosure.

Proclamation by His Excellency,
Li Hung Chang.

A proclamation issued by Earl Li, Viceroy of Chihli, Senior Guardian of the Heir Apparent, High Commissioner of Coast Defence for the Northern Seas, and Acting Superintendent of Trade, calling for a competitive examination of candidates. Inasmuch as formerly a want has been felt for the two branches of Naval and Engineering schools, I did establish on the 7th moon of the 6th year of Kuang Hsü a Naval School in Tientsin for Northern students only. This establishment has existed now for a year and more, and some progress has also been made, but it has never arrived at the full complement required, owing either to the dull abilities of the scholars or to their being too old for the purpose. This has arisen perhaps on the score that too small an allowance has been made for the students; I

have therefore attended the regulation of granting a monthly allowance of taels one for each Scholar to taels four per month. This sum will be sufficient to afford sustenance for a moderate sized family. In the naval school at Foochow scions of respectable families studied there, and on the completion of their course were promoted to captaincies of ships of war. Some of these have now attained to the second and third ranks. some even have had bestowals of reward for bravery. Now as regards these candidates for the Tientsin school, if such among them also complete their course, I have also decided to memorialize the Throne to bestow marks of honor on them. The principal regulations are as follows:

All students members of respectable families, below the ages of sixteen and seventeen years, without distinction of provinces, capable of writing an ordinary composition or half a thesis, who wish to be candidates

are required to write down their ages, commencing from last year, and also the names of their great. grandfathers, grandfathers, and fathers, and go to the Naval school and have them recorded. The Superintendent of that establishment will then examine the said candidates and class them according to their examination papers. Now the scholars of the present day are the future bulwarks of the Empire, and they will be awarded according to their several abilities. The following are the regulations for admittance of the Candidates:

1st. Candidates who are admitted are required to produce a written document from parents or guardians stating that they are willing to follow the rules and regulations of the school; they are also required to produce a bond from some of the gentry of Tientsin:

2nd Scholars are put on probation

for the first three months, board and lodging free, at the expiration of which time, those that are retained will obtain an allowance of four taels per annum.

3.rd Scholars are to stay in school for five years, during which time they are not allowed to marry or to go the literary examinations, for fear these might obstruct their proper studies. This regulation must be put in the bond.

4.th Scholars in the Naval school will study in order that at some future time they may command ships. Those of the engineering school will study how to take care of the machinery of the vessels. After a time they will be required to put into practice their several branches.

5.th Scholars of the Naval school, in every seven days are required to study two days Chinese under Chinese teachers. In the evening

the English teachers will take them out and exercise them in Naval drilling.

6th In the spring, summer and winter terms deputed examiners will go to the school and examine the scholars, while at the Autumn term I will proceed myself to examine them. Those who stand at the head of their classes will be rewarded with commissions, and those who are of lower standard will receive rewards in money, brevet rank and clothing.

7th Scholars of the Naval school have one days holiday every 15th day of the month. Scholars of the engineering school have one days holiday every first Sunday of the month, during which day, the parents and brothers of the scholars will be admitted to see them. Three days holiday are given on the 5th day of the 5th month, and on the 15th day of the 8th month. Fifteen days

are allowed for the new years holidays. Fifty days or allowed for leave of absence at the least of parents. At their burial, six days. No leave of absence is allowed at the death of a scholar's grand parents, uncles, or brothers.

8th Sick leave will be granted only in extreme cases, moderate illness being treated in the school; and such things as medical attendance and medicines will be provided by the school.

Wm. Williams

Wm. Porter's attd. to Mr. Pendleton's report 7, 1883
Porter's appt. to Mr. Young March 7, 1882
Cipher

Wm.

DEPARTMENT OF STATE
FEB 7 1883
RECEIVED

Confidential.

No. 11. 5.

Legation of the United States.
Peking, December 14th, 1882.

John Russell Young to
the Secretary of State.

Subject.

English designs on Port Hamilton in Corea.

Synopsis.

Refers to a recommendation of a British naval officer as published in a London journal. Conversations with Li Hung Chang and the Russian Minister. China and Russia hostile to the proposed measure.

Confidential.

No. 75.

Legation of the United States.

Peking, December 14th, 1882.

Honorable F. T. Frelinghuysen.

Secretary of State.

Sir:-

In a London journal of a recent date I read a statement to the effect that Captain St John, who commands an English man-of-war in these waters, had made a report to the English Government recommending the purchase or annexation of the island and harbor on the Corean coast known as Port Hamilton. The Captain, in his

letter

letter, pointed out to the
Government that there was a
purpose on the part of the
Russians to seize this harbor,
and that such an act would
"threaten the Empire". Captain
St John recommended, as "a
"means of defense against this
"danger", that the island should
be made an English possession.

This statement
possesses some interest especially
to our Government as the first
of the Powers to make a treaty
with Corea. Accordingly, during
an interview with Li Hung Chang,
Grand Secretary of State, I brought
up the question incidentally,
saying I had read it in the
newspapers

newspapers, and asking if his Government had been approached on the subject. The Viceroy said it had never been mentioned to him and was entirely new. "I suppose," he said "that the idea would be "to have another Hongkong on "the Northern coast of China". I said that, of course as an English possession Port Hamilton would become a center of trade and a naval station. The Viceroy repeated that he had never heard of it, and that he never would consent to it. This he said once or twice with some emphasis.

I had a call from Mr. Butzow

Butzow, the Russian Minister, who was about to leave Peking. In the course of the conversation, I referred to the letter of Captain St John. The Minister said he had not heard of it, although he knew that some British officials, and among them the British Minister at Tokio, had for some time been discussing the propriety of securing a port or a naval station in Northern China. I asked the Minister whether his Government was disposed to view such an annexation with favor. He said that, on the contrary, Russia would be much opposed to it, and would so act, should the question

question ever assume practical shape. He asked me how America would regard the annexation. I answered that I had no idea of the Department's views, but that, as a general thing, our policy was non-intervention and avoiding questions that did not directly concern our own interests.

I do not know that the question will ever go beyond the recommendation of a zealous naval officer to his Government, or, even if it did, how far it would concern the United States. I send the points of my conversation, however, with the Grand Secretary of State and

and the Russian Minister, as a matter of news that may interest the Department.

I have the honor to be,
Sir,
Your obedient servant.

Ack by no 4
File
File

Miscellaneous

No. 76. One Enclosure.

Legation of the United States.

Peking, December 15th, 1882.

John Russell Young to

the Secretary of State.

Subject.

Telegraph progress in China.

Synopsis.

Refers to despatch number 64, and encloses two newspaper clippings which bear upon this subject.

No. 76. One Enclosure.

Legation of the United States.

Peking, December 15th, 1882.

Honorable F. T. Frelinghuysen:

Secretary of State.

Sir:-

In my despatch number 64, I gave the Department an account of our discussions with the Foreign Office in reference to the application of certain business houses in Shanghai, and among them the American firm of Russell & company for permission to lay a submarine cable from Shanghai to Hongkong.

I now send you two newspaper paragraphs which will

1/76.

will have interest as a part of the history of telegraph progress in China.

I have the honor to be,

Sir,

Your obedient servant.

Thos. Russell Gowan.

Enclosure.

1. Two newspaper extracts.

Despatch No. 76.

Enclosure.

[From the N. China]

1. We have reason to believe that the Great Northern Telegraph Company are making the necessary preliminary arrangements for the duplication of all their cable lines in the Far East, to be effected at a very early date. This is in order to meet more readily the frequencies of the increasing Chinese and Japanese traffic, both local and international.

2. Telegraphic communications of North China with Europe, India, and America have, especially of late, been intolerably unsatisfactory. It is full time that a regular, efficient, and acceptable telegraphic service should be provided for the vast trade of China and Japan.

Add to no. 1 file

W. Ming

No. 77. One Enclosure.

Legation of the United States,
Peking, December 18th, 1882.

John Russell Young to
the Secretary of State.

Subject.

Interference with business of Mr. Wetmore at Shanghai.

Synopsis.

Refers to despatch number 69. and encloses copy of letter written by Mr. Wetmore to the editor of a Shanghai newspaper.

No. 77. One Enclosure.

Legation of the United States.

Peking, December 18th, 1882.

Honorable F. T. Frelinghuysen

Secretary of State.

Sir:—

As a part of the record of the case of Mr. Cretmore, discussed at length in my despatch number 69, I enclose 1/77. a letter addressed by that gentleman to the editor of a Shanghai newspaper. This letter should have formed an enclosure in the despatch to which I refer but was overlooked.

I have the honor to be,

Sir,

Sir,

Your obedient servant.

Thomas Gunn.

Enclosure.

1. Ltr. Vetmore to the Editor of the North China Daily News.

Despatch No. 77.

Enclosure.

Letter by Mr Wetmore to the Editor of North-China Daily News

To the Editor of the,
North-China Daily News.

Sir,

With reference to the extract from a letter by the Shanghai correspondent of the "Hongkong Daily Press" published in your issue of this morning, it is incredible that any person of intelligence can have so utterly failed to grasp the situation in the Compradore case to which he alludes, as this correspondent appears to have done, and his statements therefore carry so little weight that I should not notice them except in defence of the unfortunate man whom he has assailed.

Every one who has given only the most casual attention to the case should know that there

has been no question whatever as to arresting the comprador without the sanction of the Municipal authorities, and that he is not, as alleged, under the special protection of the Municipal police. He is under the protection of the United States authorities, who have refused to sign the warrant issued by the Viceroy, as the charges made against him are so clearly without foundation, and not for the purpose of bringing an offender to justice but of putting an end to a legitimate industrial enterprise under foreign auspices. Meanwhile the only part the municipal authorities have to take is to prevent the arrest of the comprador unless under a warrant duly signed by the United States Vice Consul General. The fact that the

compradore is "wanted" for "other reasons" is what renders the proceedings against him so disgraceful to those concerned, and I should be inclined to believe the correspondent in question had failed to comprehend what every one else here knows, that the "other reasons" were the suppression of the enterprise above referred to, were it not for his statement on hearsay that "the compradore bears anything but "a very high repute amongst his "own countrymen."

If there were any other reasons in the power he intimates known to those who preferred the charges, the correspondent may rest assured that they would have appeared in the warrant instead of a vague accusation of complicity with the rebels based solely on rumor; and no more conclusive

sive

refutation of the insinuations made as to the character of the man could be furnished than the facts than when he is so much "wanted" as he is, nothing substantial could be found on which to base a warrant for his arrest.

It is no light matter for a man to be charged with an offence which if proved might involve not only the loss of his life and property, but under the laws of China the infliction of cruel punishment on his family as well; and I leave it to the public to judge whether under the circumstances it is not most cowardly to endeavor further to prejudice his case by such insinuations and statements as those contained in the letter of the Shanghai correspondent of the "Daily Press."

I remain, Sir,

Your obedient Svt,

W. S. Wetmore

Feb. 1 Dept has no information confirmatory of this alleged proclamation - Mch. 19. 83 Cridler

Copy to Mr. Foote as part of his instructions before departure - not enclosed to Dept.

Mch. 19. 1883. Cridler.

PRINTED. FOREIGN RELATIONS 1883

No. 11. 78. One Enclosure.

Mr King

Legation of the United States.

Peking, December 18th u. 1882.

DEPARTMENT OF STATE FEB 23 1883 RECEIVED

John Russell Young to the Secretary of State.

Subject.

Proclamation by King of Corea.

Synopsis.

Incloses copy of reputed proclamation, no evidence as to authenticity.

No. 78. One Enclosure.

Legation of the United States.

Peking, December 18th, 1882.

Honorable F. T. Frelinghuysen.

Secretary of State.

Sir:

I enclose for the information of the Department a copy of a proclamation attributed to the King of Corea. This document first appeared in a Japanese native journal and afterwards in an English Shanghai paper. The Department may have received it from the Legation at Tokio, with such information, not attainable here, as will enable you to judge of

1/78.

of its authenticity, and, if authentic, of its value as an expression of Korean sentiment towards foreigners.

I have the honor to be,

Sir,

Your obedient servant.

Jno. Russell Young.

Enclosure.

1. Proclamation of King of Korea.

Despatch No. 78.
Inclosure.

The King of Corea on Missionaries and Foreign Relations.
A Royal Proclamation.

Our country is situated far away to the East in a nook of the sea, and hitherto we have had no relations or dealings with foreigners; for which reason we have neither seen nor heard very much. We have pursued this policy of jealous seclusion now for five hundred years, during which time we have never swerved from the customs of the days of old. Now the countries of the West, say — England, France, America and Russia have invented appliances of the most ingenious and beneficial description, by virtue of which they have attained to great wealth and political power. Their railways and their steamboats pervade the whole face of the land, and all the

countries of the world are connected with other by treaty; their balance of power is preserved by standing armies and their relations are maintained intact by adherence to the principles of international law, just as was the case among the states in the time of the "Chun Tsiu". For this reason China, although she stands alone and pre-eminent among the nations of the world, still makes treaties with them on equal terms; while Japan which repelled all the advances of foreigners with such austerity, has now formed compacts of friendship with them all. Thus have they both done that which was directly opposed to their own original ideas; in truth, not even their strength was sufficient to withstand the pressure of the times. Well, then; our country, in the spring of 1876, ratified the friendly agreement come to between ourselves and

Japan, and promised her to open three ports to trade; and now, we have establish new treaties with America, England and Germany. This is an innovation, certainly, and there is nothing to be astonished at in the dissatisfaction expressed by our people. But international relations are now of general prevalence; so there is no difficulty in bringing about friendly associations by the employment of right principles and good faith. The object of a resident minister in any country is primarily to watch over the interests of the merchants who may be settled there; there is no cause for suspicion of any ulterior motives on his part. There is a law, or principle, in the matter of international relationship; and this is found written in the classics and their commentaries. But there exist certain dotbish and stupid scholars, who bear in mind

how, in olden days, a feudal state would be ruined by making a compact with another, recklessly setting up this as an illustration, and then urging that Japan should be kept at a distance. Why do not such persons consider that if other people come to our shores in all friendliness, and we receive them as enemies and fight them, all the world would cry, What sort of a nation can that be? If one country stands isolated and alone, it will be bereft of all assistance, and give rise to enmity on the part of all other countries; it will become the object of general attack, and then it will be defeated, and at last ruined, and then its repentance will be great indeed. And what virtue will there be in it? Those who reason about these matters condemn treaty-making on the ground that—

foreign nations will contaminate us with their depraved religions. This is because they have pondered so long and so deeply upon the religion of their ancestors. But as regards entering into treaty relations, of course we shall enter into them; and as regards prohibiting the foreign religion, of course we can prohibit it; and in establishing treaties of amity and commerce, we shall do so in accordance with the principles of international law. According to the rules of propriety it cannot be permitted that religion shall be promulgated in the interior; besides, how can you, who have for so long practised the teachings of Confucius and Mencius, and bathed yourselves in decorum and rectitude all your lives, suddenly abandon the true and embrace the false and bad? Supposing for instance

there were to be some stupid fellow, some uneducated lout, secretly attempting to diffuse his teachings (in our country), then we have the law of our state, by which all such shall be exterminated and destroyed without mercy; what reason, then, is there for censure on account of our (alleged) inability to deal with such abuses? Moreover, when (these malcontents) see even so little adoption of foreign methods in the direction of mechanism and machinery, they immediately regard that as contamination with foreign heresies; this indeed is the ne plus ultra of obtuseness! If the (foreign) doctrine is to be regarded as a doctrine of lechery and sensuality, then it can be kept at a distance; if foreign mechanism is advantageous, then we can reap advantage from it

and use it to increase our wealth
Why fear, instead of having
recourse to, such things as agri-
culture, pericultture, medical
science, medicines, military
weapons, ships and carriages?
Let us repel their doctrines, but
learn to use, or imitate, their
machinery; both these courses of
policy can be carried out, and
thus no outrage will be done to
propriety. Besides, the strength of
foreign nations and the weakness
of our own, are as far removed
asunder as heaven from earth; if
we do not learn to use their
machinery, how can we withstand
the contempt they feel for us,
or prevent their covetousness (being
directed against our land)? Most
certainly are we able to cultivate
their principles of government
in regard to our domestic legis-
lation, and enter into friendly
relations with our neighbours:

maintain the integrity and decorum of our own Nation while emulating the strength and riches of those outside, so that all, from the highest to the lowest, may enjoy prosperity and peace; how can we delay about it any longer? At present, it is difficult to change those institutions which have existed from time immemorial. The popular will is not fixed. The rising which took place in the sixth moon caused the neighboring country (Japan) to lose faith in us, and has bequeathed a legacy of ridicule of us to the entire world; the prestige of our country has declined from day to day; the indemnity we owe to Japan amounts to myriads of taels; does not this reflection make you shudder (let) give you a cold heart? Was the entrance of the Japanese into our country attended with any

insults or breach of friendly relations towards ourselves? Yet our soldiers, prompted by unworthy suspicions, sought to oppose them; and their hostile becoming fuller and fuller (of such thoughts), their anger at last burst forth. Thus, without any reason, they themselves were the first to rebel; think, then, all of you, on whose side was the fault? Now happily our arrangements are pretty nearly finished, and our former good relations stand on a better footing than ever; America, England and other countries are following on each other's heels (in resorting to our shores) and making treaties of amity and commerce with us, a custom which is prevalent among all the nations of the world, and by no means an innovation of our own. There is, indeed, no ground —

whatever for any apprehension on this score, and you may all of you rest perfectly tranquil and undisturbed. Let scholars attend diligently to their studies, and the people to their agricultural pursuits; let there be no more talk about "European" and "Japanese" or any further stirring up of pedidgle and trouble. Although there be foreigners moving about in the open ports, let everybody continue just as quiet as usual, and see to it that you are not the first to make a disturbance. If they begin to insult or annoy you in any way, they will be dealt with in strict accordance with the provisions of the treaty; so that our own people will not be unfairly treated, and foreigners too, will be protected. Alas! The case of a stupid person of his own stupidity is deplorable by

the Holy Man; scoffing at high authorities by those under them is a punishable offence according to the laws of the land. To punish dishonour instructing the people, is to do them wrong; for which reason I now speak this distinct and public declaration. Moreover, now that friendly relationships are being cultivated with Western nations, (I order that) all road-side obelisks outside the capital, notifying that foreigners are not allowed to pass, be forthwith taken up and removed, as being unsuitable to the new order of things. You, scholars and people, now understand this perfectly. This order is now promulgated under authority of the Government, and is to be placarded in prominent places over the length and breadth of the entire country.

act 2nd

Confidential.

No. 79. One Enclosure.

DEPARTMENT OF STATE
FEB 23 1883
RECEIVED

Legation of the United States.
Peking, December 19th, 1882.

John Russell Young to
the Secretary of State.

Subject.

Interference with German interests at Amoy.

Synopsis.

Refers to despatches numbers 69. and 72. and states that Foreign Office yielded to German menace of force and telegraphed to their officials at Amoy to cease interference. Contrasts the results of

of German coercive policy
in this matter with the (4
situation in our matters at
Shanghai.

Confidential.

No. 79. One Enclosure.

Legation of the United States.

Peking, December 19th, 1882.

Honorable F. T. Frelinghuysen.

Secretary of State.

Sir:—

In my despatches numbers 69. and 72. I reported to the Department the action of Mr. von Brandt, the German Minister, in reference to the interference by the Chinese authorities with certain German interests in Amoy and Swatow. In Swatow a German man of war had landed marines and taken formal possession of

a

a disputed tract of land hoisting the Imperial flag and mounting a guard of marines.

Mr. von Brandt informed me yesterday that he had had a conversation with the Foreign Office on the subject, in which he informed the Ministers that he had sent for other men of war, and it was his intention to do at Amoy what he had done at Swatow. That, should the Chinese interfere forcibly with German interests he would land troops and protect them. The Foreign Office replied that they would at once telegraph orders

orders to Amoy and Swatow for the Chinese authorities to cease their interference with German subjects. Mr. von Brandt replied that when this was done he would telegraph to the commanders of the German vessels to cease from any naval demonstrations. Despatches to this effect have been sent, and this incident may be regarded as closed.

The Legation views the result of the German policy in this case with satisfaction, and at the same time, regards with regret the course the Minister felt it his duty to pursue. The promptness with

with which the Foreign Office yielded to a manifestation of force tends to confirm the opinion of all who advocate the policy of repression and severity in Asia, namely, that the Asiatics will accept no argument but force. This opinion is so repugnant to all American traditions and habits, and so painful to my own mind, that I cannot accept it. At the same time I must point out to the Department the difference between the action of the Chinese towards the Germans in Amoy and Swatow and towards Americans in Shanghai. The

interests

interests of Mr. Bethune were severely injured in Shanghai, and the Chinese, as I detailed in recent despatches, ventured upon strange, unlawful, and violent proceedings to do him harm. As yet the question of his right to manufacture is in abeyance without much hope of a satisfactory settlement. In Amoy, on the contrary, the exhibition of force by the Germans brought immediate redress.

I enclose a letter 1/79
I have addressed to Admiral Leitz on the subject.

I have the honor to be,

Sir,

Sir,

Your obedient servant.

Enclosure.

1. Lieut. Young to Admiral Leitz
51/1882. December 16th, 1882.

Confidential.

Despatch No. 79.
Enclosure.

Minister Young to Admiral Cliz.

1/5-1/1882.

Peking, December, 16th, 1882.

Sir,

I had occasion to write you on the 11th instant, in reference to certain naval movements at Swatow by a German man-of-war. Mr. von Brandt, the German Minister informed me yesterday that the Foreign Office had telegraphed the local authorities at Amoy and Swatow to cease all interference with German interests. The Minister had requested the naval authorities to cease from any further demonstrations.

The minister regards the difficulty as at an end. At the same time he said to the Foreign Office that he would

would act in the same manner in any Chinese port should there be any attempt on the part of the Chinese to disturb German subjects.

I am glad the affair is at an end, and regret that the Germans found it necessary to resort to force. Beyond this I have no further information in reference to the situation in China.

I am &c.—

(Signed) John Russell Young.

Ack.

File

W. Wing

No. 80. One Enclosure.

DEPARTMENT OF STATE
FEB 23 1883

Legation of the United States.

Peking, December 20th, 1882.

John Russell Young to

the Secretary of State,

Subject.

The decay of China.

Synopsis.

Encloses copies of two striking newspaper articles upon this topic.

No. 80. One Enclosure.

Legation of the United States.

Peking, December 20th, 1880.

Honorable F. T. Frelinghuysen,

Secretary of State.

Sir:—

I enclose for the information of the Department two striking articles in reference to the present condition of China. The first is a letter addressed to the London Times by its Shanghai correspondent, drawing a gloomy picture of China as it is, and pointing out its weakness and decay. The second is an editorial from the

1/80

the Shanghai Courier commenting upon this letter and adding some further reflections upon the same subject.

These articles have value as expressions of the current thought of the hour in reference to China by writers who have had opportunities for studying the condition of the Empire.

Without venturing an opinion as to the soundness of any of these impressions, I am glad to note that the writer who sees so much decay in China under its present system, believes that an enlightened era would dawn

down if highways could be improved, canals deepened, steam used in the inland waters, and a railway system introduced.

I have the honor to be,
Sir,
Your obedient servant.
Thomas Young.

Enclosure.

Two articles on the "Decay of China."

Despatch No. 80.
Enclosure.

THE DECAY OF CHINA

The Shanghai Correspondent of *The Times*, writing on the 16th August, says:—

Scarcely a year elapses without some part of China being visited by a disaster of one kind or another. Drought, floods, locusts, and insurrections take it in turns, but whatever the cause, the same doleful tale is always heard of crowds of poor people brought to death's door by starvation, of famine refugees betaking themselves to a life of beggary and thieving, of feeble efforts to collect subscriptions on the part of the gentry, and of fair promises of aid on the part of the Government, which seldom come to anything, from sheer inability on the part of the local authorities to meet the demand for funds which efficient relief measures would require. The present year has been no exception. An unusually heavy rainfall along the basin of the Yangtsze, coinciding with the annual rise from the melting of the snow in Central Asia, has caused that river and its numerous affluents on either side to overflow, and large tracts of rice land have been inundated, entailing a partial or total loss of the crops. From every town almost in this region there come reports of the numbers of famine refugees and the measures that are being taken to give them present relief.

What strikes the observer most in all these cases is the great outcry that follows upon a small cause. Occasionally we have events which amount to a national disaster, as for instance, the late famine in Shansi, which it would tax the energies of any Government to cope with, but for the most part these occurrences, like the present, are no more than happen in any country, civilized or uncivilized, through the ordinary vicissitudes of the seasons or other natural causes. In Europe, or in any nation with the least pretence to wealth, they would never be heard of. The ordinary means of the people would be enough to tide the bad season over. But in China, if one thing is more certain than another, it is that the great mass of the rural population are poor in the extreme. They live absolutely from hand to mouth, never accumulating a penny of capital and never acquiring any fund on which to draw in times of need. On a failure of crops the population affected become absolute beggars; their life or death is the mere sport of circumstances.

The land laws are by no means unfavourable to the distribution of wealth. Indeed, theorists who are fond of advocating the land for the people in the form of peasant proprietorship might take a leaf from the Chinese Statute Book on this head. The general rule is that there can be no proprietorship in waste lands. All land not under tillage belongs to the Crown, but can be converted into private property by the simple expedient of bringing it under cultivation and undertaking to pay the taxes. The cultivator thereupon receives a Government title, free of cost which is good against all the world. Land thus acquired can be freely sold on the open market. Primogeniture is, of course, unknown, and not only that, but a man cannot by will dispose of his land in favour of any one person, it must be distributed evenly among all his male children without exception. The consequence is that land is held as a rule in extremely small parcels. A man with a thousand acres is considered a millionaire. One with a hundred is deemed wealthy, and even one with ten acres is counted well-to-do. But the greater part of the land is owned in small properties of five acres and under, even down to a sixth of an acre. It is in fact divided and subdivided till it can be divided no more. Even in cases where estates of a hundred acres and upwards are found they are rarely if ever owned by a single individual, but nearly always by a family, that is to say, the sons on the death of their father, have refrained from dividing for possibly several generations, so that it may be 20 or more adults, each with his own wife and dependants are owners each of an undivided share in the whole. The possession of a plot of land, however small, implies at least something in the way of capital, but below these again there is another class of cultivators, who, as tenants, farm the land of those who from circumstances or disposition do not care to do so themselves. It is not easy to say what proportion this last class bears to the other, but it is very large. It may be safe to say that six or seven tenths of the land is cultivated in this way. The system adopted is almost invariably the *métayer* or half-profit system, the landlord providing the houses and paying the Government taxes, which last amount to a tenth or so of the net profits, though they vary very much in different provinces. These cultivators are invariably men of no capital, their whole stock in trade consisting of a few rude and simple instruments costing a mere trifle. It is on this class that the pinch of poverty first falls in bad years. The holdings are in size just sufficient to afford a bare suste-

nance in good years. Whatever is grown is consumed locally; there is no export market for surplus produce, and no possibility of converting it into money to be laid by for a rainy day. When the crops fail, these peasants are literally beggars; they have nothing to pawn or pledge. They have no credit, and even if they had, there is nobody to lend. The landlords are not in a position to give any assistance, and if the bad season continues, these latter are in quite as miserable a plight as their tenants, for at such times even land depreciates in value so much as to be hardly worth selling, and large tracts are not unfrequently deserted altogether and left waste.

There is every reason to believe that this country has fallen off enormously in wealth and population during the last 50 years. The last complete census of the Empire was taken in 1812, and the return then gave a total of 360 millions, which is the figure at which the population ever sence has been popularly supposed to stand. We know, however, that since that time half of the provinces were the scene of an internecine civil war, which raged for some 10 years, and which was estimated to have caused the deaths of from 20 to 30 millions, and the border provinces of Yunnan and Kweichow have been all but devastated by the Mahomedan rebellion, not to speak of minor wars and deaths from famine in other parts. Taking all these things into consideration, and allowing for possible increase in some places, foreigners best able to judge have been of opinion that the total of 360 millions was very much over the mark, and that from 250 to 300 millions would be nearer it. This opinion has been more than corroborated by the publication of a census of one of the provinces which has lately appeared in the *Peking Gazette*. By the letter of the law, every province ought to make an annual return of its population, but in consequence of the disorganization caused by the Taeping rebellion, this seems, like many other things, to have fallen into desuetude. Only one province so far, has resumed the practice—viz., Chekiang. In 1812 this province stood for 26,256,000, and it is now reported as containing only 11,570,000 inhabitants. Chinese returns are not, of course, very reliable, but they may be taken in default of better evidence as approximately correct. At all events, taking the two returns as of equal value, it appears that the population of this province has fallen off nearly 60 per cent. Now, Chekiang certainly suffered severely during the Taeping rebellion, but not more so than several other provinces, and, moreover, it is a very fertile province and the centre of the silk industry, so that the population might be expected to fill up by immigration more rapidly than in other places. If, therefore, notwithstanding all these advantages, the population in this one province has decreased by 15 millions, it is not unreasonable to suppose that the falling off over the whole eight or ten which are known to have suffered is at least 100 millions, and that the present population of China does not exceed 250,000,000. The returns of land-tax payable are further confirmatory of this conclusion. In 1812, the land-tax payable in Chekiang was 5,856,000 taels, now it stands at only 2,120,000 taels, and in a memorial, dated May of the present year, the governor declares that the actual collection falls far short of even this sum. The same complaint comes from almost every province. A Censor, writing in March of this year on the financial embarrassment (I quote from the *Pekin Gazette* as translated in the *North-China Herald*), says:—"Ever since the outbreak of the Taeping rebellion the financial prosperity of the Empire has steadily declined. Its officers have sought to raise funds from every source, but their efforts have resulted in no real benefit to the revenue; the receipts that find their way into the public exchequer are more insignificant than ever; the resources of the Empire are exhausted; and its people are in a state of proverty that has no precedent in the annals of the Empire." Tso Tsung Tang, Viceroy of Nankin, writing at a later date on the state of affairs in his own particular jurisdiction, expresses himself in much the same terms, and it would be easy to multiply authorities indefinitely. If the revenue free at the disposal of the Pekin Government—that is to say, after deducting the necessary sums for carrying on the provincial Governments—was correctly estimated in 1812 as being about £12,000,000, the sums now derived from the same sources do not probably exceed two or three millions sterling.

Luckily for the Pekin Government, other sources of revenue have been opened up, which in a great measure compensate for the falling off of the normal branches. Of these the principal is the Maritime Customs Revenue, which now amounts to upwards of £4,000,000 sterling. It is surprising that the rapid progress which this branch has made, and is still making, should not have suggested to the Chinese officials the true remedy for the present unfortunate state of affairs. All the advance which the country has lately made in wealth and prosperity has been in connexion with foreign trade. The tea and silk district have been large gainers, and, apart from the hoards in the families of retired officials, nearly all the capital in the country is in the hands of the merchants, bankers, and middlemen engaged in foreign commerce. But of all the numerous memorials that have been presented to the Throne on this subject not one has hit the real cause. They abound in complaints of peculation on the part of some officials and of extravagance on the part of others, and think that, that being remedied, all will be well. It does not occur to them that by promoting the free interchange of commodities between different parts of the Empire, whereby the producer could get a better price for his produce and the consumer be able to supply his wants cheaper, something might be effected. But in their necessities, the Government adopted a scheme which was, perhaps, the very worst they could have tried and the most effectual in arresting the development of trade at the time when improvement was most needed—viz., the imposition of the inland-tax on all goods, without exception, passing from one market to another, known as the *likin*. This produces a revenue of, roughly speaking, £2,000,000, but at all hazards it must be abolished before any real progress can be made. If that were done and further facilities were provided, such as the improvement of highways, deepening of canals, and permission to use steam on the inland waters, not to speak, of course, of the introduction of railways, a brighter era would soon dawn.

The Shanghai Courier.

THURSDAY, 30TH NOVEMBER, 1882.

THE DECAY OF CHINA.

WE referred cursorily a few days since to the letter of August 16th in the London *Times* from its Shanghai correspondent on the "Decay of China." We do not know officially who the correspondent is, or with what authority he writes, but the purport of his letter is so serious, and it provides so much food for thought, that it deserves a fuller consideration. It has been rather the fashion of late for writers in English journals to express some apprehension of the results of the expansion of the population of China. They have affected to believe that this great country was over-populated; that its people were seeking outlets in all directions, were likely in the immediate future to overrun both America and Australia, and possibly ere long to invade Europe itself. Pictures have been drawn of the evils that might be expected when the Chinese began to realise their strength and with a civilised military system set forth to extend their limits, and statesmen have been warned that it would be well to take account of them as a probable factor in European as well as in Asiatic politics. The rapid increase of an already excessive population, and the necessity for that population to find new homes, have never been doubted, until the *Times* correspondent has come forward with a letter dispelling all these apprehensions by the statement that the empire has actually lost within the last seventy years nearly thirty per cent of its population.

The last complete census of the Empire, according to the correspondent, was taken in 1812, and then gave the total of the population at 360 millions. Western statisticians have generally been accustomed to call it in round numbers 400 millions, and missionary societies at home have been in the habit of stimulating their subscribers, by pointing to that as the number of heathens in this one country whom their offerings were to bring from darkness to light. There has been no complete census since 1812, but there has been a rebellion which devastated more than half the provinces and swept off from 20 to 30 millions. The Mahommedan rebellion in Yunnan and Kweichow was only put down after an enormous loss of life; the great famine in Shansi caused a very considerable diminution of the population, and every year nearly we have had news of smaller famines and floods carrying off their victims by thousands. But Chinamen marry early, and their families as a rule are up to the highest average of civilised nations, so that a considerable portion of the losses above-mentioned ought to have been recovered by natural increase. The reported results of the census of 1812 must then have been incorrect, if it be true that the present population of the eighteen provinces is not much above 250,000,000. That the falling off has been very large is shewn by the fact that the recently-taken census of Chekiang gives the total of that province at 11,570,000 against 26,256,000 in 1812. Chekiang suffered severely in the rebellion, but it is a very fertile province, produces a large quantity of Green Tea, and is a centre of the silk industry, so that much of its losses ought to have been repaired by immigration; but if it may be taken as a fair sample of the empire, the correspondent is justified in his opinion of the general decay of China. Those of us who have travelled much along the watercourses in this and the adjoining province, must have often noticed how the population has disappeared along the banks of the canals. At one time the grand canal and the larger branches of it must have been lined continuously with houses, for the sportsman walks for miles over the ruins of houses and temples where now there are only scattered villages. The land-tax payable in Chekiang in 1812 amounted to Tls. 5,856,500, while its present total is only Tls. 2,120,000, and in a memorial dated last May, the Governor declares that the actual collection is considerably less than this latter estimate. According to the memorials published constantly in the *Peking Gazette*, the falling-off is general all over China. No Governor apparently ever sends his report to the capital without some complaint of the diminution in the yield and the difficulty he has had in collecting the tax. We know that owing to this in part, the Court of China is anything but a rich one, and the Imperial finances are so straitened that foreigners are able to supply themselves with curios that the actual poverty of subordinate members of the Imperial family at Peking compels them to sell. This may be due in a measure to the Viceroys in the past half-century having achieved more independence than they dared to display early in the century, and keeping back much of what they ought to contribute to the support of the Court; but it is doubtless also due to the falling-off in the provincial levies. In 1812 the total amount sent up by the provincial authorities to Peking was about £12,000,000 sterling; it is now little more than £2,000,000, so that the Court of this great empire would be actually unable to pay its way, were it not for the certain contribution from the foreign Customs.

The conclusions of the correspondent, if they are correct, are decidedly reassuring to those who have feared in other countries an influx

of the laborious Mongolians. Unfortunately statistics are almost unknown in China, and statements as to the population are little better than guesses: we can see for ourselves that in these provinces, and on the banks of the Yangtsze between this and Hankow, there was once a much larger population than we now find there, and we guess that this applies to the whole empire. The *Times* correspondent suggests that the introduction of railways, and the improvement of the canals and high roads may be expected to cure the evil. The Chinese government on the other hand might point to the fact that the decay we lament is coincident with the spread of foreign intercourse and the expansion of foreign trade.

Acknowledged Feby 27/83 Cristler

W. Ming

No. 11, 81. One Enclosure.

Legation of the United States.

Peking, December 20th, 1882.

DEPARTMENT OF STATE
FEB 23 1883
RECEIVED

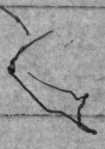
John Russell Young to the Secretary of State.

Subject.

National anniversaries to be observed in Peking.

Synopsis.

Covers copy of a list of such days agreed to be observed by the Diplomatic Body.



No. 81. One Enclosure.

Legation of the United States

Peking, December 20th, 1882.

Honorable F. T. Frelinghuysen.

Secretary of State.

Sir:—

At a meeting of the Diplomatic Body held December 18th it was proposed that certain holidays, accepted by the nationalities represented in Peking and by the people of China, should be observed by the Legations and the Chinese officials, by the display of flags, the interchange of visits and such other courtesies as may be deemed proper for the showing of

of international respect and friendship. The Representative of each nation present named the day that would be acceptable to his Government. I selected the Fourth of July. The schedule
1/81. as enclosed was agreed to and I have given orders that it shall be respected by the Legation.

The observance of the two Chinese festivals will begin on the 11th day of the 6th moon; i.e. July 14th, 1883. when the Court of His Majesty will pass out of mourning for the late Empress Dowager. As regards the other Powers, the agreement will take effect

with

with the New Year.

Hoping this action will meet with the approval of the Department,

I have the honor to be,

Sir,

Your obedient servant.

Jno. Russell Young.

Enclosure.

1. National anniversaries to be observed in Peking.

Despatch No. 81.

Enclosure.

National Anniversaries to be observed in Peking.

19th February.	Birth-day of H.M. the King of the Netherlands.
22nd March.	— " — " — H.M. the Emperor of Germany.
9th April.	— " — " H.M. the King of Belgium.
24th May.	— " — " H.M. the Queen of Great Britain.
4th July.	Independence of the United States of America.
14th July.	National Holiday of the French Republic.
11th September.	Name-day of H.M. the Emperor of Russia.
3rd November	Birth-day of H.M. the Emperor of Japan.
28th November	— " — " — H.M. the King of Spain.

— And —

on the 28th day of the 6th moon. Birth-day of H.I.M. the Emperor of China.

on the 10th day of the 10th moon Birth-day of H.I.M. the Empress Regent.

On the establishment of other legations at Peking the necessary additions will be made.

Retain no file

McCoing

No. 82. One Enclosure.

Legation of the United States.

Peking, December 21st, 1882.

DEPARTMENT OF STATE
FEB
23
1883
RECEIVED

John Russell Young to
the Secretary of State.

Subject.

Imperial reprimand to Lao Chung tang.

Synopsis.

Covers translation of Imperial decree. Lao in failing health and likely to be soon retired from office, an event ardently to be desired.

No. 82. One Enclosure.

Legation of the United States.

Peking, December 21st, 1882.

Honorable F. T. Frelinghuysen.

Secretary of State.

Sir:

In my despatch number 69. I called the attention of the Department to the antipathy shown towards foreigners by Tso Chungtang, the present viceroy at Nanking. The high position of this statesman is well known to the Department and it may be of interest therefore to read a recent decree from the Throne which appears in the Peking Gazette. In this decree Tso

receives

receives an intimation of Imperial displeasure which may go far towards limiting his authority and usefulness.

Recent news from Nanking report the viceroy as in bad health, having suffered a paralytic stroke. When to this are added his advanced years and the cares of a busy and adventurous life, it is reasonable to expect that the Emperor will soon permit Tso to retire from the public service and spend his few years remaining in peace.

The withdrawal of so eminent a man from office is an important event in

the

the history of China. When we consider likewise his attitude as the leader of what might be called the conservative or reactionary party, the incident will possess peculiar interest to all who wish to see China advance in the knowledge and application of Western civilization.

I have the honor to be,
Sir,
Your obedient servant.

Jno Russell Young

Enclosure.

1. Translation of an Imperial decree.

Despatch No. 82.
Enclosure.

(2) A Decree cashiering Wang Shih-chêng, Intendant of the Military Secretariat of the Liang Kiang, for unbecoming levity, arrogance, and want of self-restraint. Liu Pang-yüan is degraded to rank of Secretary or Assistant District Magistrate, for neglecting his duties. These officers were denounced by the Censor Li Hung-k'uei, for engrossing power and accepting bribes, a charge which the Governor P'êng Yü-lin, to whom the charge was referred, reports to be not proved. The Lieutenant Colonel, Liu Kuo-jui, acting as aide-de-ca[illegible] 巡捕 to Tso Tsung-t'ang, is cashiered for having disreputable transactions with gatekeepers and the like; and the Expectant Prefect, Chang Ch'ung-shu, suffers the same punishment for fraudulent and avaricious conduct. 'Tso Tsung-t'ang has had a long and glorious career, and has hitherto been zealous in the performance of his duties. When last year he had audience on his departure, he had the honour to receive Her Majesty's Decree commanding him to execute such reforms as circumstances might admit, not to make changes after immature consideration. The salt administration is the important question in the Liang Kiang. If he desired to restore the old regulations, he should yet have reported the particulars of his proposed action to Us, and asked for a Rescript. Why must he take immediate action on his own rash determination, thus causing much embarrassment? Henceforward Tso Tsung-t'ang must try to deal with any question that may arise in an unprejudiced spirit, and to eradicate his habit of following preconceived opinions. In his choice of men and consideration of views, he should redouble his care, and do away with obstructive prejudices, in the hope that the despatch of business may be furthered, and agreement among the official body promoted. Thus will be satisfied the deep desire of the Court to place confidence in Our servants.'

Carroll

Wang

No. 83.

Legation of the United States.
Peking, December 21st, 1882.

DEPARTMENT OF STATE
FEB
23
1883
RECEIVED

John Russell Young to
the Secretary of State.

Subject.

Retirement of Tsang Kwo chao.

Synopsis.

States the manner of his retirement and the regret felt at it.

No. 83. Legation of the United States.

Peking, 21st December, 1882.

The

Honourable F. T. Frelinghuysen

Secretary of State.

Sir,

An event of importance in its bearings upon foreign relations has recently occurred here in the retirement from office of Wang Wen Chao, a Member of the Privy Council, Minister of the Foreign Office, and Vice President of the Board of War.

His Excellency came to the Capital in 1878. from Hunan of which Province he had previously been

been Governor. He was at once appointed to the Foreign Office, and to the other posts named above. Since the death of His Excellency Shen-kuei-fun which occurred in February 1881, and was reported in Mr. Angell's despatch number 109, to the Department, he has been, under His Imperial Highness Prince Kung virtually the managing head of the foreign affairs of China.

By his genial and pleasant manners, his marked ability and intelligent conception of the true interests of China, and, as a natural sequence, his progressive ideas, he had won a high place

in

in the esteem and kind regard of all the members of the Diplomatic Body here, who regard his retirement from public life as a very serious loss not only to China but to all Powers having relations with her.

And, as will be seen, the manner of his retirement, serves to intensify this feeling of regret. Some months since a Censor memorialized the Throne accusing Wang Wen Chao and Ching Lien, another Minister of the Foreign Office and President of the Board of War of receiving presents and bribery in connection with military expenditures in the Province of Yunnan.

It

It was generally believed at the time, and subsequent developments have confirmed this belief, that the accusation was trumped up by the reactionary party, under the management of Tso Chung T'ang, to ruin the influence of Wang Wen Chao and to punish him for entertaining progressive and so called pro-foreign ideas. This line of policy has been frequently adopted in recent years by the conservative party, and with almost unvarying success. The case of Ch'ung Now is a striking illustration in point.

As Ching Lien is a member of the Conservative party, his name was only brought into the accusation

-tion incidentally, and to preserve a show of justice. The charges against him were not pressed. But those against Wang Wen Chao were, and, after a struggle lasting some four months, the reactionists have, as usual, conquered, and by a recent Decree, "Wang Wen Chao is permitted to retire to his native village "to recruit his shattered health." - As he is still in middle life and has not been ill, the Decree tells its own story between the lines and deceives no one.

This incident will be of interest to the Department as serving to show the nature of the political struggle which is constantly going on here between

between the friends and the enemies of progress in China, and the means resorted to by the latter to accomplish their purposes.

I have the honour to be,

Sir,

Your obedient servant.

Dan'l Crosby Gray

A. Sheffield Thanks Feby 27 1883. Ordered Send copy to Library with num of no + date of desp. Enumerate it. Feby 27 83

No. 84.

Legation of the United States.
Peking, December 21st, 1882.

DEPARTMENT OF STATE
FEB 23 1883
RECEIVED

John Russell Young to the Secretary of State.

Subject.

Sheffield's "Universal History."

Synopsis.

Forwards one copy of this work to the Department and comments upon the value of it. Copies have been presented to the Foreign Office.

No. 84.

Legation of the United States.

Peking, December 21st, 1882.

Honorable F. T. Frelinghuysen.

Secretary of State.

Sir:

I have the honor to forward, under separate cover, for the library of the Department one copy of a work on "Universal History" prepared in Chinese by the Rev. H. J. Sheffield a missionary of the "American Board" near this city.

This work is the result of several years of patient labor, has been prepared and arranged

arranged with the utmost care both as regards its matter and Chinese rhetorical style, and furnishes at once a lasting proof of the zeal and value of Rev. Sheffield's labors among the Chinese, and a most important contribution to a class of works greatly needed in this Empire.

Copies of this work have been presented by Hon. Holcombe to the Prince and Ministers of the Foreign Office, and they speak in appreciative and complimentary terms of it in their note of response.

It is with no small degree of satisfaction that I bring

bring to the notice of the Department the valuable services of one of our people in a line parallel and auxiliary to his more direct labors as a missionary among the Chinese.

I have the honor to be,
Sir,
Your obedient servant.

Wm. Russell Dorr

Copy of regulation memo. to M. wrote March 1883 C.F.A.

PRINTED. FOREIGN RELATIONS 1883

W. Wing

No. 11. 85. Two Enclosures.

Legation of the United States.

Peking, December 26th 1882.

DEPARTMENT OF STATE FEB 23 1883 RECEIVED

John Russell Young to the Secretary of State.

Subject.

Commercial Convention between China and Corea.

Synopsis.

Covers translation of this Convention, and an exhaustive memorandum upon it prepared by Mr. Holcombe, to which special attention is called. Reasons why our Treaty with Corea should be ratified.

No. 85. Two Enclosures.

Legation of the United States.

Peking, December 26th, 1882.

Honorable F. T. Frelinghuysen.

Secretary of State.

Sir:—

I have the honor to enclose 1/85.
a translation of a treaty made
between the Chinese Grand
Secretary of State, Li Hung Chang,
and the Corean envoys to China.

This Convention has
excited much attention among
the Representatives of the Powers
which have signed Conventions
with the King of Corea.

I enclose also a 2/85
memorandum written by Mr.
Holcombe

Holcombe, pointing out the salient points in this Convention wherein it diverges from the existing treaties, and the objections the Western Powers must advance to its enforcement. Mr. Holcombe's familiarity with the negotiations which culminated in the treaty signed by Commodore Shufeldt, will give value to his analysis as a thorough presentation of the whole subject, and I therefore commend his memorandum to your attention.

[When this new Convention came to the knowledge of the Legation, I asked the Representatives of Germany and Great Britain whether

whether it would affect the ratification of the treaties signed last summer and now under consideration. Mr. von Brandt believed and hoped that his Government would ratify. He urged, as Mr. Holcombe points out in his memorandum, that, under the "favored nation" clause, the signatory Powers could claim every concession granted by Korea to China. Mr. Grosvenor, the English Chargé d'Affaires, had no idea what his Government would do, and imagined that it would listen attentively to the advice of Sir Thomas Wade, English Minister to China, now in England. Both of

of these gentlemen imagined that their Governments might follow the example of the United States in ratification as they had in signing. As the Convention has been submitted to the Senate by the President, I suppose the question of ratification will have been decided before you receive this despatch.]

Taking every thing into consideration, the Legation will hear with pleasure that the Shufeldt Convention has been ratified. I think it very important that the United States should have a footing in Corea, and, that having opened

the

the door, we should not close it nor give any other Power precedence.

I look upon all our Conventions with these Asiatic Powers as tentative. We have very little to lose whether Corea becomes a province of China, or is annexed to Japan, or remains independent. The only Power whose presence in Corea would affect our trade would be Russia, as the policy of Russia would be to open trade channels overland and limit the sea board commerce.

Our Convention with Corea is, commercially, a step in the path of progress, and made

made, as was our first "
convention with Japan, with the
view of extending into Asia the
advantages of our civilization.
With the other Powers it is
political and is bound up
with the aims and schemes of
Western nations for "
aggrandizement in Asia. As
we have no interest in these
enterprises, as we have at
heart the independence of these
Asiatic nations, I am anxious
to see our country in a position
where her moral influence can
aid in maintaining the existing
autonomy of China, Japan,
Corea, and Siam. The "
Shufeldt Convention puts us
in

in that position, a position we should not surrender. And any question of trade between Corea and China, or any reciprocal treaty like the one I enclose is of minor concern and can be governed by diplomatic action.

I have said that all these treaties are tentative. I think also that the disposition of the Asiatic nations to enter into treaty relations with each other should be encouraged. We cannot expect from the diplomatists of China and Corea that familiarity with the principles of international law which gives

gives sacredness and prestige to the conventions between the Western Powers. But the Japanese Treaty with Korea last summer and even this extraordinary treaty are steps towards Western ways and laws, and in that have value. These recent treaties have the Oriental quality of imitation in this, that even the faults of Western diplomacy, as so regarded by Oriental statesmen, are faithfully copied when they come to deal with one another. If there is one claim, for instance, which they resent and under which they groan as though it were a heavy

burden

burden, it is exterritoriality. We regard it as a security against the application of barbarous procedures to our people. The Orientals feel that it is a principle which when honestly enforced must in time affect the existence of the Government which accepts it, and that to extend it is to limit the power of the Throne, an apprehension which has a basis in logic if not in experience. Nothing would gratify China and Japan more than for the Western nations to abandon this right. Yet when Japan and China, who resent exterritoriality forced upon them by

by Western treaties, come to deal with a sister nation, they compel Corea to grant them the same privilege.

I might add further illustrations in evidence, but the point in the whole discussion which seems essential is, that having opened the door to Corea we should go in and do what good we may.

In the best interests of China, this Convention is much to be regretted. The Viceroy had succeeded in winning the moral support of other Powers in favor of China as against the pretensions of Japan towards Corea. This support was so

powerful

powerful that Japan was
helpless, and the plans and
purposes of many years came
to nothing. Japan alone with
no support except perhaps
the negative aid of Russia, ~~would~~
would have been compelled to
amend her Convention with
Corea and make it harmonize
with those signed last summer.
The Viceroy had only to rest
content with his victory and
allow time to gather in its
fruits. But this Convention
reopens the whole subject
and gives color to the ~~~~
averment of the Japanese that
China never meant in sincerity
to accept the independence of
Corea

Korea, compels the signatory Powers to ask for explanations from China, and permit Japan to renew her grievances, strengthened by the sympathy of the Western Powers.

I might call attention to other features in this convention which will invite your criticism and, perhaps, your remonstrance. These, however, are presented at length by Mr. Holcombe in his memorandum and further reference now would be a work of supererogation.

I have the honor to be, Sir, Your obedient servant.

Jno. Russell Young.

Enclosures

Enclosures.

1. Trade Convention between China and Corea.
2. Memorandum by Mr. Holcombe December 19th, 1882.

Copy from Foot. March 19, 1883 Cridler

Despatch No. 85.
Enclosure 1.

Translation.

Commercial and Trade Regulations for the subjects of China and Corea.

Corea having been from ancient times a tributary State, the canons of her intercourse in all matters with the Government of China are fixed and need not be changed. But inasmuch as other nations have now established commercial relations with Corea, it is manifestly expedient that the interdict against intercourse by sea be at once removed to

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the end that the subjects of the two nations may reciprocally enjoy the advantages of commercial intercourse. And it is further expedient that the regulations for trade at the barrier between the territories of the two contracting parties be taken into consideration and slightly modified to meet the requirements of the age.

The Commercial and Trade Regulations hereinafter established are however to be regarded as so many concessions on the part of China to her tributary State and are not within the scope of the "Favoured

"Favoured Nation Rule" existing between the several Treaty Powers and China.

The following Regulations are hereby established.

Article I.

Hereafter Commercial Agents will be appointed by the Northern Superintendent of Foreign Trade to reside at the several ports in Corea which are open to foreign commerce, for the superintendence and protection of Chinese subjects. Such Agents shall correspond with Corean authorities upon terms of equality, and shall be

be treated with all due consid-
eration.

In case grave matters of
business arise in which the
Commercial-Agents deem it
inexpedient to assume the
responsibility of coming to a
decision with the Corean
Authorities, they will report
the facts to the Northern Sup-
erintendent of Foreign Trade,
who will communicate* with
the King of Corea, who will di-
rect His Council of State to con-
sider and determine the busin-
ess.

The

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*The chinese characters show that this communication is to be on terms of equality.-
(Sd C.N.)

The King of Corea will appoint an Envoy to reside at Tientsin, and Commercial Agents to reside at the other ports in China which are open to foreign trade. The Envoy and the Commercial Agents shall correspond with Intendants, Prefects, Sub Prefects, District Magistrates, and other local authorities at the open ports on terms of Equality. In case difficult questions arise the Commercial Agents shall be permitted to make suitable representation to the Envoy at Tientsin who may request* either the Northern

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* Not as an Equal (S. C. N.)

Northern or Southern Superintendent of Foreign Trade to take the questions in hand and dispose of them.

The necessary expenses of the several agents of the two Governments shall be borne by each Government for itself, and no extortion or demand for compensation shall be permitted.

If any Agent of either Government persists in arrogant conduct or manages business in an improper manner, upon communication of such facts either by the Northern Superintendent of Foreign Trade, or the King of Corea, the Agent in question will be at once recalled.

recalled.

Article II.

Suits at law between Chinese subjects at the open ports in Corea shall heard and determined by the Chinese authorities.

In all civil and criminal cases in Corea, in which Corean subjects are plaintiffs, and Chinese subjects defendants, arrests shall be made and the cases heard and determined by the Chinese Commercial Agents. In cases in which Chinese subjects are plaintiffs and Corean subjects are defendants, it shall be the duty of the proper Corean Authorities

-orities to arrest and produce the defendants and, conjointly with the Chinese Authorities hear and determine the case according to law:

All cases at law arising in the ports in China which are open to foreign trade, whether civil or criminal, in which Corean subjects are concerned either as plaintiffs or defendants shall be heard and determined by the Chinese local authorities, according to law. The judgment shall be communicated to the Corean Agent for record. If the Corean subjects concerned are dissatisfied with the verdict the

High

High Chinese Authorities may be appealed to by the Corean Agents to order a new hearing in the interests of justice.

When Corean subjects have occasion to visit the offices of the Chinese Agents in Corea or of Chinese local authorities at the open ports in China in order to lay complaints against Chinese subjects, the constables, clerks, or other servants will not be allowed to exact money or the least compensation from them. Violations of this rule will be punished with the utmost severity upon proof being laid before the official who is responsible for the guilty

guilty party.

If the subjects of either power, whether in their own land or in the ports of the other country which are open to foreign trade, who may be guilty of violation of the laws, take refuge within the territories of the other Power upon information communicated by the Commercial Agents of either Power to the local authorities the latter shall take measures to arrest the guilty parties and shall deliver them into the custody of the nearest Commercial Agent to be returned for trial to their native country. Such persons however shall not be

subjected

subjected to any ill usage in excess of necessary restraint.

Article. III.

The merchant vessels of either Power shall be permitted, at the option of their owners, to frequent the ports of the other which are open to foreign trade. Export and Import duties and all other Customs charges shall be paid as provided by the Regulations already agreed to between the two Governments.

If the vessels of either Power are driven by stress of weather or are stranded upon the coasts of the other, their crews shall be

permitted

permitted to land at the near-
est point in order to purchase
supplies and to repair their
vessels. All expenses shall be
borne by the masters of the ships
concerned, and all necessary
assistance and protection shall
be rendered by the local author-
ities.

If a ship of either Power
be wrecked upon the coast of the
other, the local authorities shall
devise measures to preserve life
and property. They shall de-
liver over the passengers and
crew to the nearest Commer-
cial Agent of the Government
concerned who will return

such

such shipwrecked persons to their native land, in order to avoid the expenses involved in the former rules for dealing with such cases.

If the merchant vessels of either country, not being driven thither by stress of weather or to make necessary repairs, clandestinely visit ports of the other country not open to foreign trade for purposes of traffic such vessels and their cargoes shall be subject to seizure and confiscation.

It is however agreed that the fishing vessels of either Power shall be allowed to frequent the coasts of Ping An, Huang Hai Tao in Corea and of Shantung

and

and Manchuria in China for the purpose of taking fish. The fishermen may land at pleasure to purchase food and water. They shall not be permitted to carry on a clandestine traffic in merchandise, and if found guilty of such conduct the vessel concerned will be subject to seizure and confiscation.

If fishermen are guilty of violation of the laws or regulations of any locality where they land they shall be arrested and handed over to the nearest Commercial Agent to be dealt with as provided in Article II.

After

After the expiration of a period of two years from the date of this Convention the question of the dues and duties to be levied upon fishing craft shall be taken up and conjointly determined by the two Governments.

Note.

The Shantung fishermen, because the fish are driven over to the Corean coasts opposite Shantung by the steamers, go clandestinely in thousands every year to fish among the islands along the Yuang Nai Yao in Corea.

Article IV.

Subjects of either Power proceeding

proceeding to the ports of the other which are open to foreign trade, and peaceably attending to their affairs shall be permitted to lease buildings or land and to construct residences or other buildings thereon. They shall be allowed to traffic in all native produce and other merchandise not declared contraband by law.

They shall pay import and export duties and tonnage dues, according to the Regulations and tariff mutually fixed by the Customs Authorities of the two Governments. In addition to such dues and duties whenever it is desired to transport

native

native produce from one open port to another open port; such produce having paid export duty at the first port shall in addition thereto upon entry at the second port pay half of the export already levied.

Since Corean subjects are permitted by law to trade in Peking, Chinese subjects shall be at liberty to open warehouses at Yang hua chin and Nan Chung.* Aside from this privilege the subjects of either Power shall not be permitted to transport merchandise into the interior or to open shops

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* Two suburbs of Seoul. (T. C. N.)

shops there for its sale.

If the subjects of either Government wish to proceed to the interior of the territory of the other in order to purchase native produce, they shall make application through their respective Commercial Agents to the local Authorities, and the two above-named officials will issue a joint permit for the point to which the applicant desires to proceed. He shall be allowed to hire carts, horses or boats at his option, and will be required to pay all local and Interior taxes on the native produce purchased by him.

Subjects

Subjects of either Power desiring to travel in the interior of the territory of the other must make application to the Commercial Agent concerned who, with the local authorities, will issue a joint passport allowing them to proceed. If at any point in the interior such persons are guilty of offences against the laws, they may be arrested by the local authorities and delivered to the nearest Commercial Agent to be dealt with according to Article II. They shall not, however, be subjected to any ill usage in excess of necessary restraint.

Article

Article V.

Heretofore trading posts have been established upon the border-lines of the two Governments at Icho, Hsui Hing, and Ching Yuan, at which points the trade was controlled by officials. Much inconvenience resulted from this system.

It is therefore now agreed that trading posts shall be established at Icho and Cha men on either side of the Ya lu-chiang, and at Hsui Ch'un and Hsui Hing on either side of the Tu men Chiang to which the subjects of the two

Powers

Powers shall be freely permitted to proceed for purposes of traffic. — At each of these points officials will be stationed by the Government within whose domain it lies to preserve order and collect the revenues. At the trading posts a uniform ad valorem duty of five per centum will be levied upon all exports and imports excepting red ginseng. The requisitions heretofore made by the officials at these trading posts for residences, food, &c., are all abolished. Civil or criminal cases at law between the residents on the border shall be dealt with by the respective local authorities according

ing

ing to regulations heretofore made.

The Northern Superintendent of Foreign Trade and the King of Corea will respectively detail officers to examine and report minute regulations for the conduct of these trading-ports, which will be submitted for the Imperial approval.

Article VI.

The subjects of the two Powers, whether at the ports open to foreign trade or at the trading-ports are forbidden to traffic in or transport foreign or native Opium or munitions of war; Violations of this provision shall be visited with

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the utmost severity of the laws.

Corean Subjects are permitted under existing regulations to import red ginseng into China upon payment of an ad valorem duty of fifteen per centum.

If Subjects of China clandestinely export red ginseng from Corea without the consent of that Government, the merchandise in question shall be liable to seizure and confiscation.

Article VII.

Heretofore the Government post route between the two countries has been by land via Cha mun, and the cost of maintenance has been very

very great. As the inhibition against intercourse by sea has now been removed each should be allowed to consult his own convenience and proceed by the sea route. As, however, Corea has neither steam vessels of war or commerce, the Northern Superintendent of Foreign Trade will be requested by the King of Corea to appoint, for the present, one of the vessels of the China Merchants Steam Navigation Company to make one round trip between China and Corea each month for which service a certain subsidy shall be paid by the Corean Government

Chinese vessels of war will also cruise along the coast of Corea and visit the various ports for purpose

of

of observation and protection.

All contributions by local authorities to such vessels are done away with, and all supplies needed for the vessels will be purchased and paid for by their officers. The officers of such vessels from the chief of squadron down will correspond with the local authorities upon terms of equality, and shall be treated with all due consideration.

The crews of vessels of war shall be kept under strict control by their officers, when they are permitted to land, and not be allowed to molest the inhabitants nor to create disturbances.

Article

Article VIII.

The brief and general regulations as fixed herein shall in the first instance be put into operation in all things stipulated herein, and shall be faithfully observed and kept by the officers and people of the two contracting Powers.

Hereafter such additions or alterations, as may be necessary will be from time to time discussed by the Northern Superintendent of Foreign Trade and the King of Corea and, when agreed to, will be submitted to His Imperial Majesty for His approval.

Concluded by

Chou

Chou Fu, Customs Intendant, etc.
Ma Chun Chung, Expectant Intendant } }
Superintended by N. C. Li, etc. - etc.
etc. on the part of China.
and,
Chao Hung Hsia, Senior Envoy.
Chin Hung Chi, Junior Envoy.
Yü Yun Chung, Secretary, on the
part of Corea.

Despatch No. 85.

Inclosure 2.

Commercial Regulations between China and Corea.

Memorandum.

The Chinese text from which the foregoing translation was made was obtained by me indirectly, but was submitted to certain Ministers of the Foreign Office and pronounced by them to be correct.

As the treaties made by the United States, Great Britain, and Germany with Corea are identical in terms, the last two named being merely copies of the first, the comparisons herein made between our treaty with Corea and the Chinese Commercial Regulations will ap-

ply

-ply with equal accuracy to the English and German treaties.

If the first sentence in the preamble to these Regulations be kept in mind, and the statement that the canons of official intercourse between Corea and China are fixed be accepted as a fact, as it doubtless is, and it be further borne in mind that the business of negotiating these Regulations was carried on in careful conformity to those canons, then much valuable light is thrown upon the question as to the exact relations which exists between the two Governments concerned.

Thus the preamble contains

are

no declaration that the King of Corea acted either in his sovereign right - or even of his own option in the appointment of Envoys to negotiate these Regulations. And, what is far more important and significant, no provision or stipulation is contained anywhere in them for their ratification or rejection by the King. On the contrary Article VIII. provides that the Regulations shall go into effect at once, and that, in the future, desirable amendments or alterations shall be discussed between the Chinese Northern Superintendent of Foreign Trade and the King of Corea, acting as equals, - and that their conclusions shall

be

be submitted to the Emperor of China, to be approved or rejected by him alone.

The natural inference from this provision and from the general drift and tenor of the Regulations as a whole would seem to be that His Majesty the Emperor directed A. E. Li and the King of Corea to prepare a series of Commercial Regulations; that these two High Authorities delegated this duty to certain subordinates, and that here the power or authority of the King ended, while, as all the negotiations were conducted at Tientsin, A. E. Li practically superintended and controlled not only the action of his own

own delegates, but of the Corean ~~a~~
delegates as well. There is nothing to show that the King of Corea had either voice or independent control in the business beyond the nominal right to name his substitutes.

Article I. V. VII. and VIII. provide that in all negotiations connected with the enforcement of these Regulations the Chinese Northern Superintendent of Foreign Trade is to correspond upon a footing of equality with the King of Corea. The Chinese text of the articles named shows this beyond the possibility of question. If further proof of this fact were needed

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it is found in Article I., in which it is provided that the King of Corea, on his part, shall appoint an Envoy and Commercial Agents to China, and that Chinese Commercial Agents shall be accredited to the Corean Government, not by the Emperor of China, but by the Northern Superintendent of Foreign Trade. Thus on the part of China, the appointment of Commercial Agents, or Consuls as we should call them, a prerogative usually reserved to the Supreme Authority itself, is relegated to a local officer. In other words, these Agents are to be appointees of an appointee of the Emperor, and one whom, though of high

high rank, may be removed with or without cause or reason assigned at the whim of his Master.

Article I. further provides that the Corean Envoy, who is to reside not at Peking, but at Tientsin, shall rank with an Intendant of Circuit. And this officer by the various treaties between China and foreign Powers is made equal in rank with a Consul. See Article X. of our Treaty of Tientsin, and similar articles in other treaties.

Article I. of these Regulations also provides that the Corean Envoy may be allowed to address either the Northern or Southern Superintendents of Foreign Trade only as an

inferior

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inferior addresses his superior. This is inconlestably shown by the Chinese text. Thus the Corean Envoy to China, or more properly to Tientsin would appear to rank with a Consul or, at the utmost, with a Consul General.

An interesting incident illustrating this question of the rank accorded to a Corean Envoy occurred recently at Tientsin while the negotiations for the Commercial Regulations were in progress. The Russian and French Ministers to China being in that city H. E. Li gave a dinner in their honour, to which the members of the Consular Body and the officers of several foreign

eign men-of-war were also invited. Chao-ming-Hsia, the Senior Envoy from Corea, was only allowed to slip quietly into the room after all the guests were in their places at table, and to seat himself unnoticed in an obscure corner!

Recurring now for a moment to the point already made that these Regulations reduce the King of Corea to a level with the Chinese Superintendent of Foreign Trade, it should be added, in order to avoid misapprehension, that this cannot be fairly held to mean an absolute equality of rank or authority. — Within certain well defined limits, officials of different ranks correspond

upon.

upon a basis of equality in China. Thus high Ministers of State, members of the Privy Council correspond upon such a footing with Viceroys and even Governors of Provinces, and, what is more to the point, H. E. Li, the Northern Superintendent of Trade, corresponds upon a basis of Equality with H. I. H. Prince Kung, who is practically the present head of the Government. All that is intended to be maintained is that, by these Regulations, the Head of the Government of Corea is reduced, so far as all official intercourse is concerned, to a level with an appointee of the Head of the Government of China.

As stated above these facts throw much valuable light upon the question

of

of the exact relation which exists between China and Corea. And they also raise certain intricate questions which must be determined by our Government in case our treaty with Corea is put into operation, some of which I beg to suggest.

First. If, for purposes of international intercourse, the King of Corea is held as the equal of a Chinese minister of State, what is to be regarded as the status of the President of the United States vis a vis the King of Corea?

Second. What is to be the basis of official relationship between the diplomatic and consular representatives of the U. S. in China

and

and the Corean Envoy and Commercial Agents?

Third. What is to be the basis of official relationship between the diplomatic and Consular representatives of the United States in Corea, and the Chinese Commercial Agents to that country appointed by the Northern Superintendent of Trade?

The last clause of the preamble to the Commercial Regulations in which it is declared that they are to be regarded as so many concessions on the part of China, "and "are not within the scope of the "Favored

"Favoured Nation Rule" existing between "the several Treaty Powers and China" is interesting and might almost be called amusing. As there are absolutely no concessions to Corea, found in these regulations which are not already existing in each or all of the treaties between China and the Western Powers (the recognition of the right of Coreans to trade in Peking excepted) it is quite apparent that this clause was inserted by H. E. Li under the mistaken idea that it would serve to prevent the application of the "Favoured Nation Rule", as found in the recent treaties between the United States, England and Germany, on the one hand, and Corea,

on the other, to the concessions found in these Commercial Regulations as made by Corea to China, which have not been made by Corea to the three Powers named above; and thus to secure to Chinese subjects the exclusive monopoly of certain rights and privileges in Corea. What these rights and privileges are, and their value and importance will be pointed out in detail further on.

It is manifest, without argument, that the clause in question cannot in any sense serve the purpose for which it was intended, and that, so far as the United States is concerned, it can have no

value

value only as, and to the extent that, our Government may see fit to recognize it.

Article II. of these Regulations - determines a system of judicial procedure in all cases in which - Chinese in Corea, or Coreans in China, are concerned. Cases in Corea in which Chinese subjects are alone interested are heard by Chinese Authorities; those in which Coreans are plaintiffs and Chinese are defendants are also heard by the Chinese Authorities; and those in which Chinese are plaintiffs and Coreans are defendants are heard by the Chinese and Corean

Authorities

Authorities sitting as judges with conjoint and equal powers. Koreans in China are relegated to the exclusive jurisdiction of the local (Chinese) authorities, the Korean Commercial Agents having only the right to ask a new trial.

Thus China refuses extra-territorial jurisdiction to Korea over Korean subjects in China, and assumes it, to an extent never claimed by Western Powers in this Empire, over her own subjects within Korean territories. The special interest we may feel in this fact centers in the conclusive answer it affords us to any

complaints

complaints made in future by China as to the injustice of the extraterritorial system as maintained by us here. And a more positive and absolute answer would be hard to find.

While it is true that this article gives to Chinese Officials a wider range of extraterritorial jurisdiction in Corea than is conceded to United States Officers in the same country by Article IV. of our treaty with Corea, it would not in my opinion, be advisable for our Government to seek any modification of the stipulations in our treaty upon this point. Our experience for the past forty years

in

in China has plainly shown that the system of joint tribunals unprovided with any common code of laws or judicial procedure, and in which each magistrate must be guided solely by the statutes and regulations of his own country, has entirely failed to work to the satisfaction of either Government concerned. The system embodied in Article IV. of our treaty with Corea has been found by universal experience in China to produce much more satisfactory results, and is now accepted by all the Powers having treaties with this Empire.

The provisions of Article III

of

of these Commercial Regulations relative to vessels in distress and shipwrecks are substantially identical with the stipulations of Article III. of our treaty and need no comment.

It now remains to compare the commercial rights and privileges granted by these Regulations to the subjects of either Power, with those granted by treaty to subjects or citizens of other nations in either China or Corea; and more particularly to contrast privileges granted to Chinese in Corea with those granted by our treaty to citizens of the United States in the

Corean

Corean Kingdom.

The Commercial concessions to Coreans in China are easily enumerated. The ancient right of Corean merchants to trade in Peking is reaffirmed. But, it should be stated, that this right is very closely restricted. It does not permit them to establish themselves permanently as merchants here, nor even to open shops or warehouses for a single day. All it amounts to is this, Whenever the King of Corea sends an embassy of any sort to the Emperor of China, Corean merchants are allowed to come to Peking in the train of such embassy. They can

either

either sell their wares at wholesale to Chinese dealers, or peddle them in person about the streets. And within three days after the departure of any embassy on its return to Seoul, all the merchants who came in its train are required to close their business and leave this city. In return for this very meagre and questionable advantage, Chinese subjects are permitted by Article IV. of these Regulations to open warehouses and establish themselves permanently as merchants at Yang-hua-chen and Han ch'êng, which are the west and east suburbs of the city of Seoul.

Corean

Corean subjects are also allowed to frequent two trading posts established in Manchuria near the Corean border, at Cha-mên and Kuei Ch'un. And, as equivalent to this privilege, Chinese subjects are permitted to frequent two trading posts established at Icho and Kuei Hung in Corea.

As to other trade privileges in China, Corean subjects are placed at a disadvantage, by these regulations even as compared with other foreigners in the Empire. Thus by Article IV. they are forbidden to transport foreign or native produce to the interior under any terms, and can only bring

bring native produce from the interior to a port upon payment of all local taxes and lekin. These two privileges are not only granted to all foreign merchants in China, but they can also commute the inland taxes and lekin by the use of transit passes.

It is true, indeed, that by this same article Chinese merchants cannot take their wares to the interior of Corea, with the exception of course of the two suburbs of Seoul and the trading posts already mentioned. But it must be borne in mind that there are neither inland taxes nor lekin in Corea. Hence while Corean subjects can

only

only bring native produce from the interior of China at a disadvantage even as compared with foreign merchants, since the use of transit passes is denied them. Chinese can go at pleasure to any point in the interior of Corea and bring native produce therefrom free from any duties or charges whatever save the export duty of five per cent ~~um~~ ad valorem.

Thus it is manifest that, under the terms of these Regulations, the lion's share of the benefits of commercial intercourse between China and Corea will fall to the Chinese. And, as though this were not enough, by Article VII., the Corean Govern-

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ment is required to subsidize a Chinese steamship line by means of the vessels of which this intercourse will be mainly carried on.

To turn now to a particular comparison of the Commercial privileges granted by these Regulations to Chinese subjects in Corea, with similar privileges granted by our treaty to citizens of the United States in the same country.

First. Citizens of the United States are permitted to establish themselves at such of the ports of Corea as are open to foreign trade, and to pursue their various callings

and

and avocations within the limit there-
of. These ports are understood to be,
though not specified in the treaty, those
opened to the Japanese, namely Fu-san,
Ren-chuan and Yung Sing. To
these is to be added Yang-hua, —
which by the Convention of August,
30th, 1882. with Japan is to be opened
within one year to foreign traffic.

Chinese subjects are permit-
ted, by these Regulations, to estab-
lish themselves and to follow their
avocations at all these ports, and,
in addition to this, to reside at the
two suburbs of Seoul, and at two
trading ports, already mentioned,
in the interior of Corea.

Second. Private citizens of the —

United

United States are not permitted to travel in the interior of Corea.

Chinese subjects are allowed, by Article V., of these Regulations to travel freely throughout the Kingdom under passports which, upon application, are to be issued by the Commercial Agents and local authorities acting conjointly.

Diplomatic and Consular Representatives of the United States can travel under passport in the interior, by virtue of a stipulation of the Japanese Convention mentioned above.

Third. Citizens of the United States are forbidden either to transport foreign imports to the interior, or to proceed thither to purchase native

produce

produce.

Chinese subjects are permitted to transport all merchandise of every class to four points named in the interior — two trading posts, and two suburbs of Seoul — and to proceed to any point of the interior, purchase, and bring out native produce, paying no other taxes thereon than the export duty.

Fourth. Citizens of the United States are forbidden to transport native produce from one open port to another open port.

Chinese subjects are allowed to transport this class of merchandise from one open port to another, upon payment at the second port of one

half

half of the export duty, that is to say upon payment of 2½% ad valorem.

Fifth. Citizens of the United States are required to pay an import duty of 10% or 30% ad valorem upon all goods imported into Corea, according as such goods fall within one or the other of two general classes.

Chinese subjects can import the same articles into Corea, via either of four trading posts, upon payment of a uniform duty of 5% ad valorem. See Article V. of the Regulations. As these posts are situated on the banks of two rivers of some size, this discrimination may prove to be of serious importance.

Article IV.

Article IV. of the Regulations — prescribes that the subjects of China shall pay, in Corea, duties and tonnage dues according to regulations and tariff fixed by the Customs Authorities. As it is not known whether these are or are not the same as those prescribed in our treaty with Corea, it is impossible to say whether there is or is not a discrimination against our people upon this point.

To summarize — the following privileges are denied to our people and granted to Chinese in our treaties with Corea.

"A" To reside and trade at four

points

points in the interior.

"B." To travel in the interior under passport.

"C." To take foreign produce to four points in the interior, and to proceed to the interior and bring out native produce.

"D." To transport native produce from one open port to another, and

"E." A discrimination of 1/2 in one case and 5/6 in the other to our disadvantage and to the benefit of Chinese importers in the duties on all foreign merchandise, imported, via, certain routes, into Corea.

No argument or explanation is needed

needed to show the immense value of these concessions made peculiarly to Chinese merchants, and their disastrous effect upon any attempt made by foreigners of other nationalities to build up commercial enterprises in Corea. With the right to establish themselves permanently at four centres of trade in the interior; to take thither all classes of foreign merchandise for sale; to scour the country from end to end, under the protection of passports, in search of new avenues of trade and in the purchase of native merchandise — either for the open ports or for export to foreign countries; to control the coast trade in native produce, —

which

which last they readily do as other foreigners are shut out from this trade, and Coreans have no steamships; — with all these exclusive rights, it is easy to see that Chinese merchants, with their keen scent for gain, and free from all danger of successful rivalry or competition, will soon fill Corea like a swarm of locusts and any attempt to build up American trade with that country will be futile.

Making all due allowance for the imaginary or real rights of China as suzerain of Corea it still remains true that these Commercial Regulations are grossly one sided and unjust to that Kingdom. Whenever her Government becomes sufficiently

FR 179 omit

by

ly enlightened in such matters to be able to judge intelligently of the actual purport of this Convention, she can hardly fail to see that, in thus taking refuge in the protection of China against the aggressions and intrigues of Japan, she has really sought refuge from the fangs of a wolf in the jaws of a lion.

These Regulations, further, serve effectually to unmask the strategic movements in diplomacy which have taken place here within the past year of which Corea has been the subject and H. E. Li the principal organizer, and to disclose their true purpose and design.

His

His scheme, as thus explained, was manifestly, first, to invite or allow several Western Powers to conclude treaties with Corea, under his supervision, in order to effectually secure the autonomy of that Kingdom against any attempts upon it by Russia or Japan. Both H. E. Li and the Ministers of the Foreign Office informed me repeatedly last winter that this was the real reason for their desire that Corea should enter into treaty relations with the United States. This first step having been satisfactorily accomplished, the way was open for the second which was for China to conclude such Commercial

mercial Regulations with Corea as would secure a monopoly of the trade with that Kingdom for the Chinese and render nugatory any advantages for commerce which Western Powers fancied they had gained by their treaties. How successfully this has been done, so far as the Regulations under Review are concerned, this memorandum will show. In other words, China has sought to make use of the United States, Great Britain and Germany to extract the chestnuts from the fire in order that she might eat them.

In

In view of the foregoing consid-
erations, the important and interest-
ing question arises whether our
Government ought or ought not
to ratify the treaty made in May
last between itself and Corea.

Speaking upon this question
with all due deference to the great-
er wisdom and experience of
my superiors in the Government,
I am bound to say that, in my
opinion, the considerations re-
cited above, so far from furnish-
ing a reason for the rejection of
our treaty with Corea, serve as so
many arguments for its prompt ra-
tification.

Speaking from a sentiment-

al

-al point of view, and judging by the drift of recent events, — Corea needs the moral support of the United States, Great Britain, and Germany to protect her autonomy not only against Russia and Japan, but against China as well. It is assuredly not to our interests nor to the interest of the world at large that Corea should either be swallowed up in any one of her three neighbours, or that China and Japan should come to blows over her, in which event she would be at once the field of battle and the helpless and innocent sufferer. But, by the rejection of our treaty,

we

we should, so to speak, destroy our own weight and influence in these matters, and hence have no more natural right to interfere in them subsequently than would Italy, Denmark, or any other Power which has made no treaty with Corea.

As to the questions of dignity involved, because of the asserted suzerainty of China, although some light is thrown upon this relation by these Commercial Regulations, the relation itself is still vague and indeterminate to a degree. The right of suzerainty is neither recognized nor referred to in any of the three treaties made

between

between Corea and Western Powers, and it would seem that the best way to deal with this question would be to ignore it altogether, in which event, after Corea has come into practical relations with other Governments, it will naturally resolve and settle itself. Doubtless, as that Kingdom came more and more into place in the family of nations this question would gradually sink out of sight and disappear.

Again, if we reject the treaty because of the discriminating concessions, against our people and in favour of Chinese, made in these Commercial Regulations, we must either drop out of all

relations

relations with Corea, or seek a new negotiation. In the latter event we should, having given up a certain vantage ground which the present treaty affords us, be in a less favourable position to do away with these discriminations than we are at present, and far less likely to be able to establish just and satisfactory commercial relations.

On the other hand the ratification of our present treaty will at once bring into force the stipulations contained in Article XIV. of it, which is the "Favoured Nation Article" in its broadest and most comprehensive form. Under the

the explicit provisions of this Article we may justly and successfully claim for our people in Corea each and all of the special privileges conceded by these Regulations to Chinese subjects. That H. E. Li is fully aware of the broad range of the "Favoured Nation Article" in our treaty with Corea is certain, for it was the subject of several discussions between him and me at Tientsin last April, and was then and there arranged word for word as it now stands. That he sought to nullify its value by the insertion of the closing paragraph of the preamble to these Regulations is equally certain. But, as has been pointed out already, that paragraph

"cannot

"cannot in any sense serve the
"purpose for which it was intended,
"and can have value only as, and to
"the extent that, our Government may
"see fit to recognize it."

It is perfectly safe to assume that, after the ratification of our treaty, any demand that we might see fit to make upon the Korean Government for the extension to our people of the exclusive rights pledged to the Chinese would be conceded, especially if, as would undoubtedly be the case, Great Britain and Germany should act in concert with us. By this course, and this course alone, as it appears to me, namely by the ratification of our treaty and the enforcement of its

"Favored

"Favoured Nation Article", any commercial privileges in Corea worth having may be secured. By this method we shall successfully, and in a legitimate and diplomatic manner, turn the flank of the Chinese, and secure to ourselves an equal share in the results of the strategic manœuvres of H. E. Li, and be actually and largely benefited by his unjust and crafty schemes.

But there is still another argument in favour of the plan sketched above, and which is well worthy of serious attention.

The Japanese Government is, I understand, determined to demand from Corea the same privileges for her people that are conceded to the

Chinese

Chinese, and to follow such a demand by menace and even force, if necessary, to a successful issue. Strained as the relations between Japan and China are, and exasperated as the former is by recent events in Corea, it is most probable that such a demand would be made in harsh and offensive manner, would be sternly resisted by Corea, or, more properly speaking by China, and that serious trouble would be an early result.

If however the United States, Great Britain, and Germany are placed in a position in which, by virtue of the natural operation of the "Favoured Nation Article" in their several treaties with Corea, they can make this

this same demand, its success will be practically assured at the outset and in a peaceable manner. Furthermore the Powers mentioned will be in a position to restrain the hostile intentions of either China or Japan towards the other, and to aid the latter in securing those commercial facilities in Corea to which she has a double right because of her geographical position and because she was actually the first Power to enter into treaty relations with that Kingdom. And, especially for ourselves, by thus cooperating with Japan we should be able to relieve any sensitive feeling which that Government may have over the way in which our treaty-

with

with Corea was made or the stipulations contained in it.

It would thus appear that, by following the line of policy thus sketched, the Government would be able to render a certain aid in preserving the autonomy of Corea, while the question of her relation to China would be left to settle itself in a natural manner, would have valuable influence in preserving the peace in the East, and would secure for our people the benefits of a fair and unrestricted commercial intercourse with the people of Corea to an extent not stipulated for in our treaty as originally made.

Chester Holcombe

Peking, December, 19th, 1882.

Copy to Mr. Holderman
Ft. A. & A. March 3. 1883.
Circle

Rec'd Washington Nov 5
Oct. 31, 1883

W Ming

No. 86. Three Enclosures.

Legation of the United States.

Peking, December 27th, 1882.

John Russell Young to
the Secretary of State.

Subject.

Relation of China to Siam.

Synopsis.

Refers to despatch number 50.
Japanese Government much
excited at the rumor mentioned
therein. Gives details of conversation
with Japanese Minister, and copies
of correspondence with him and
with Mr. Holderman to whom Mr.
Young has written for information.

No. 86. Three Enclosures.

Legation of the United States.

Peking, December 27th, 1882.

Honorable F. T. Frelinghuysen.

Secretary of State.

Sir:

Admiral Enemotto, the Japanese Envoy, called at the Legation the other day and read a despatch from his Government referring to the statement which I mentioned in my despatch number 50. to the effect that China was about to resume her suzerainty over Siam. The Admiral said that his Government attached great importance to this statement and

and would look upon such an attempt as strengthening the suspicion that the Imperial Government meant to take Corea and reduce it into a provincial relation.

I told the Admiral that I had seen the rumor to which he referred and was so much interested in its truth that I had addressed the Foreign Office on the subject and made a report to the Department. I repeated to him the substance of the memorandum attached to my despatch number 50. written by Mr. Holcombe. He asked me if the Legation could furnish him

him a copy for his
Government. I said that
nothing would afford the
Legation more pleasure. As
he had some doubts of the
candor of the Yamên in
their conversations with Mr.
Holcombe, I said that, as
the United States had a
Minister at the Court of the
King of Siam, I would write
and ask whether there had been
any proposals directly or
indirectly in reference to the
resumption of suzerainty by
China. The Admiral expressed
himself as much gratified and
said he would value the office
as a special courtesy.

I

1/86. I enclose copies of the
2/86. correspondence.

I may mention, as a curious evidence of the intricacies of Eastern diplomacy, that in conversation with one of my colleagues, when this incident was mentioned he said that notwithstanding the positive denials of the Foreign Office he believed that overtures to Siam of the nature which had aroused the suspicions of the Lokio Cabinet had really been made. His information was that the Viceroy at Canton had been carrying on the negotiations. Therefore while the Foreign Office could say

with

with technical truth that it was not dealing with Siam, the actual truth would be that a powerful official of the Empire was approaching the King of Siam to see how far China might advance her claims to a renewal of sovereignty.

Some such suspicion was undoubtedly in the mind of the Japanese Envoy, and this explains his satisfaction with my offer to write to Mr. Holderman the letter which I enclose. 3/86.

I have the honor to be,
Sir, Your obedient servant.

Enclosures.

Enclosures.

1. Ltr. Young to Ltr. Eneriotto.
   49/1882. December 12th, 1882.
2. Ltr. Eneriotto to Ltr. Young.
   64/1882. December 17th, 1882.
3. Ltr. Young to Ltr. Halderman.
   50/1882. December 12th, 1882.

Despatch No. 86.

Enclosure 1.

No. 119/1882.

Minister Young to Vice Admiral Enomoto.

Peking, December, 12th, 1882.

Sir,

Referring to our conversation yesterday afternoon, I have the honour to enclose for the information of Your Excellency, a copy of a memorandum, made by Mr. Holcombe of our Legation of a conversation with the Foreign Office upon the question of the suzerainty of China over Siam. You will see from the memorandum that the Foreign Office denies in the most explicit manner the rumour which had reached your Government at Tokio.

I have also written my colleague General

General Alderman, our Minister at Bangkok on the subject. I shall be happy to acquaint you with his answer.

I take the occasion to tender Your Excellency the assurances of my highest consideration and remain

Your obedient servant

(Signed) John Russell Young.

Despatch No. 86.
Enclosure 2.

64/1882.

Mr. Emiotto to Mr. Young.

December 17th, 1882.

Sir:-

I have the honor to acknowledge the receipt of your Excellency's letter of the 12th instant enclosing a copy of a memorandum made by Mr. Holcombe of your Legation of a conversation with the Foreign Office upon the question of the suzerainty of China over Siam, and also informing me that you have written General Halderman, the United States Minister at Bangkok, for my information.

It affords me great pleasure to transmit this valuable information to my Government at the earliest opportunity, and I thank you

sincerely

sincerely for the prompt attention given to the matter in compliance with my request.

I avail myself etc.

(Signed) Enomotto Takeaki

Despatch No. 86.
Enclosure 3.

No. 50/1882.

Mr. Young to Mr. Halderman.

Peking, December, 12th, 1882.

Sir,

N. E. Admiral Enomotto, the Japanese minister called at the Legation yesterday and read me a despatch from his Government. A story had found credence in an English newspaper, to the effect that the Emperor of China had sent an embassy to Siam, to insist that the king of that country should return to the position of dependence which formerly existed towards China and renew his payment of tribute. The Government of Japan had telegraphed to know whether the story was true or false. I

told

told the Admiral that I had seen the story in point, and had made inquiry at the Foreign Office. The ministers denied with emphasis that any suggestion of this nature had been made to Siam, or even the thought of it, entertained by the Government.

I gave the Japanese minister a memorandum embodying the points in our conversation with the Foreign Office which had already been reported to the Department. I said, further, that I would write to you feeling persuaded, that you would in your own way, as a friendly office to Japan, ascertain whether any proposition of this nature had been made to Siam, and that it would give me much pleasure

to

acquaint him with the result of your inquiries.

If you think it wise to make such an inquiry I shall esteem it as a personal courtesy to the Legation. I know also that it will be valued by the Japanese authorities and contribute to the maintenance of our good relations with them.

I avail myself of the occasion to tender Your Excellency the assurances of my high consideration and remain,

Your obedient servant

(Signed) John Russell Young.

Letter to read with despatch March 16. 1883. Crider

Confidential.

DEPARTMENT OF STATE RECEIVED FEB 23 1883

87.

Legation of the United States.
Peking, December 28th, 1882.

John Russell Young to the Secretary of State.

Subject.

China, Japan, and Corea.

Synopsis.

Reports a conversation had with the Japanese Minister upon the relations between these three Governments, and his suggestion that a Congress of certain Powers be held at Paris to guarantee the autonomy of Corea. Mr. Young's answer

answer. Considerations that would enter into the question of calling such a Congress.

Confidential.

No 84.

United States Legation
Peking, 28th December, 1882.

The,
Honourable Fredk. T. Frelinghuysen
Secretary of State.

Sir,

In my despatch No 86 I — acquainted you with the correspondence which had taken place between the Legation and the Japanese envoy Admiral Enomotto, in reference to the rumour that China proposed to resume her sovereignty over Siam. — The Admiral called at the Legation a day or two later to express in — person

person his thanks for our service.

During the interview he entered into a long conversation about the relations between China and Japan. He referred with some earnestness to the convention between Li Hung Chang and the Corean envoy upon which the Legation reported at length in my despatch No. 85 and said he was awaiting instructions from his government to - which he had sent by telegraph a copy. The Admiral said he was anxious - to see all sources of trouble between his country and China removed, but that he had found no encouragement to enter upon a frank discussion of them with the Chinese officials. He had not seen Prince Kung, whose illness however

ever

ever, had prevented a meeting. When he saw Li Hung Chang, the Viceroy made no reference to any questions at issue, but confined the visit to one of courtesy. He was prepared to have taken up the question of the Lao Choo islands, but he had no instructions to enter upon that subject unless it was broached to him. He repeated the grievances in Corea, the treatment of Japan by China in the treaty negotiations and the various proceedings between China and Corea arising out of the sad events of last summer. He said that his Government could never consent to see Corea a Chinese province, and capable at any time of becoming a base of attack upon Japan. At one point the coasts

were

were only 100. miles apart, and if the Chinese were to mass their troops or erect forts there it would be a constant source of danger and irritation. The Admiral disclaimed any purpose on the part of his Government of occupying Corea. He said frankly, that if his own views had been adopted years ago Japan could have made herself secure. I understood the Admiral to mean that he himself belonged to that party in Japan which would settle the Corean question by annexing Corea - just as it invaded and attempted to annex Formosa in 1874. But the Government was not of that mind. While wishing peace, however, these repeated movements of the Chinese and especially

the

the new treaty referred to in my despatch No 85. might compel him to ask the foreign office for serious explanations.

The Admiral while deploring these differences and asserting the firm policy of his Government to maintain Corean independence said, that among other means for the attainment of this happy result, there had been suggested the idea of a Congress to be composed of the representatives of England, Germany, Russia, France, the United States and Japan, to hold its sessions in Tokio and take up the whole Corean business. Japan would propose in this Congress that the powers should guarantee the independence of Corea, and its neutrality in

the

the event of war. He cited the position of Belgium in Europe and the European treaties which maintained Belgium's autonomy, and said he would like to see Corea politically another Belgium.

The Admiral further said that before he left Japan he had seen Sir Harry Parkes, the English minister - and had reason to think from the tone of that minister's remarks that England would look with favour upon the suggestion. The Admiral thought that such a Congress would determine perpetual peace in Asia. He asked me how my Government would view the proposal, and whether it would take part.

J.

I replied that I could give him no answer, that the most convenient way would be for his Government to ask the Department through the Washington Legation.

The Admiral asked me whether I thought such a proposal would be acceptable.

I answered that I could not give him a satisfactory opinion as the question it presented was without precedent and there would be little advantage in mere personal speculations on my part.

The Admiral said that Japan had great confidence in America, that we had opened her doors to Western civilization, and it was natural for

Japan

Japan to come to America for advice, especially in a case as critical as the present, which had already brought two nations to the verge of war and might do so again.

I replied that I appreciated fully all that the Admiral said, and that I was sure the Department would give any request or representation from Japan the most careful and the most friendly consideration. I knew that the Government valued the prosperity of Japan, and felt that nothing would further that prosperity more than peace. The proposal to take part in a Congress with the European Powers was one involving high international considerations.

We

he had declined to do so in European questions but had been willing to do so with the representatives of South American Republics. This arose from the fact that we had no concern with the politics of European States, but a great deal with the prosperity of our neighbours on the American Continent. Whether the Government would regard a Congress upon Asiatic problems as presenting an entirely new question or as coming within the self imposed rule of abstinence which has kept us out of conferences upon European affairs was a question which could only be answered in Washington.

The conversation was curious and interesting and I ventured

to

to ask the Admiral how far Japan had gone in ascertaining the views of the other powers. I inferred from his answer that nothing had been done except to talk with Sir Harry Parkes, and that Japan would rely for the initiation of the business upon the good offices of the United States.

I asked whether for instance Russia would take part in a Congress or whether if she did she might not enlarge the scope of its deliberations and propose an amendment in her boundary lines.

The Admiral replied that he had great confidence in Russia, that Russia had treated Japan very well

in

in the Corean business. She had made no treaty and he had been informed by the late Russian minister to Peking that his Government had no intention of making a treaty

This answer of the Admiral opens the way to some curious speculations as to the real attitude of Russia in these complications. When I arrived in China just after the convention between Corea, Great Britain and Germany and the failure of the French to do the same because of differences on the missionary question: I was struck with the fact that Russia had not followed the example of the signatory powers. In conversation with Mr. Butzow the Russian minister to whom

Admiral

Admiral Enomotto referred he said in response to an enquiry that he was ready to make a treaty, and would have done so but for the outbreak last August, — which threw some doubt upon the fact whether Corea had a Government.

The Department will note the difference in these statements so made to the Japanese minister and to our Legation. I have no doubt that Mr. Bulzow was candid when he said that he was prepared to make a treaty. He was known as a fair and honourable man, one who never would allow the reserve which might be imposed upon him by diplomacy to leave his veracity or candour in question.

There

There are two explanations of this variance. One is that Admiral Enomoto whose knowledge of English is limited, may have misunderstood Mr. Bulzow. The other is that after Mr. Bulzow had made the communication to his colleagues, he may have received confidential instructions from his Government not to enter into a treaty.

What confirms the second theory is the fact that although the outbreak in Corea was suppressed in August, Russia, so far as the Legation is informed has shown no signs of an intention to make a treaty, upon the basis of that accepted by England, Germany and the United States. The records of the Legation show that the

true

true position of Russia in Asiatic questions has for years been a problem and that it is not without precedent that her sincerity in wishing to act in harmony with the Western powers should be in debate. My predecessor, Mr. Low addressed a despatch to the Department dated March, 13th, 1873 of a strictly confidential nature in which he commented freely upon the attitude of the Russian Minister at that time when all the powers were pressing the question of audience. The conclusions of that far sighted diplomatist as reported to the Government are worthy of repetition. After pointing out a distinct evidence of the want of good faith on the part of the Minister General

Hangali

Kiangali. Mr. Low said. "This erratic
"course of the Russian Minister may
"possibly be accounted for on either of
"the two hypothesis viz I Russia -
"expects undoubtedly sooner or later to
"absorb a portion or the whole of China.
"To facilitate this she thinks it desirable
"to keep China in <u>status quo</u> and -
"prevent other European nations from
"gaining any more influence in the
"country, or II. She may consider it
"her best policy to induce China to -
"pursue a reactionary course which
"will provoke hostilities from the West-
"ern nations and when war comes
"to improve the occasion and to re-
"peat the operations of 1860 and annex
"another piece of territory."

J

I quote this despatch because when read in connection with what I have said of Russia and Corea, and the conflict of statement by the Russian Minister to Admiral Enomotto and this Legation it will show that the doubts which Mr. Low had entertained as to Russian desire for harmony with the Western powers still exists. General Hangali the minister to whom Mr. Low refers is now in the Russian Foreign Office, and naturally influences the policy of that empire in Asia. This indisposition on the part of Russia to act with the Western powers in Chinese diplomacy antedates the time of Mr. Low. When the war

took

took place which opened Peking to the foreign legations Russia was opposed to a peace which gave England, the United States or any other political power a foothold in China. General Ignatieff afterwards so conspicuous in European diplomacy was then Russian minister in China. He would have rejoiced at a peace which would have led to the abandonment of China by the outside powers. Russia would have had China at her mercy. With a long frontier extending thousands of miles she could have taken her own time to penetrate the Chinese boundaries and permeate the Chinese dominions.

Absorption

Absorption by Russia would have been a question of time.

One reason why Japan would look with favour upon such a Congress as now proposed by Admiral Enomotto is that she would act and deliberate with the Western powers as an equal. Her national pride would be gratified by such a recognition. If Japan also took part in a Congress as the equal of other powers she might readily urge that existing treaties should be revised and made to follow the lines of treaties between Western nations. I have sometimes thought that her action in Corea last summer in imposing a treaty upon the sovereign of that country that

that contained some of the features which her Emperor has so frequently resisted when forced upon himself was inspired by this hope. So long as the Western nations hold Japan in a subordinate relation, dictating her tariffs, assuming her coasting trade and maintaining extraterritoriality, it will be difficult for them to recognise her as an equal. This objection would be fatal to the proposed Congress, because a Congress to be useful should contain individual elements of sovereignty and strength, elements which could only come from the representatives of equal and independent powers.

The question would also arise whether

whether China should take part. The Japanese envoy did not mention China as a possible factor, and not wishing to commit the Legation by the discussion of details into any apparent expression of sympathy with a project upon which I had no authority to speak did not ask the question. I can see how Japan in her present temper, restive under her recent checks in diplomacy by China would be glad to have such a recognition of superiority as would be implied by her presence in a Congress from which China was excluded as a semi-civilized barbarous power. And as we have recognized Siam as an independent power,

her

her Sovereign might claim a seat. As Corea has much to gain or lose, and is really the one nation in interest; her Sovereign might ask admission.

The conversation with the Japanese Minister came to an end by my repeating the remark that if his Government wished to summon such a Congress as he proposed and was anxious to have the good offices of the United States, the Japanese Legation in Washington should be instructed to lay the subject before the Department. I do not know what will come of this new proposition, nor how far the Japanese have considered it. But it seemed proper that -

you

you should be advised of it, and of the avowals of an angry policy towards China which formed as it were an undertone to the whole of the Admiral's conversation.

It may not be without interest for me to call your attention to my despatch No. 33. confidential in which I reported the views of Li Hung Chang on the Loo Choo question and communicated a copy of the letter of arbitration addressed by General Grant to Prince Kung and Mr. Iwakurra. A comparison of the views of these two Statesmen will give you an inside glimpse of the real feelings of the two cabinets. Both Li Hung Chang and the Admiral conversed with me in terms of the frankest

frankest confidence, a confidence I shall encourage in the hope that our Legation will always be in the position should occasion arise to speak words of peace and conciliation, and bring about if possible an honourable understanding between the two powers.

I have the honour to be,

Sir,

Your obedient Servant.

Mr. Russell Young.

1

One Enclosure.

Legation of the United States,
Peking, December 31st, 1882.

DEPARTMENT OF STATE
FEB
23
1883
RECEIVED

Chester Holcombe to
the Secretary of State,

Subject.

Asst. Holcombe's salary account.

No

Synopsis.

Covers a statement of this account for the quarter ending December 31st, 1882.

1

One Enclosure.

Legation of the United States.

Peking, December 31st, 1882.

Honorable F. T. Frelinghuysen.

Secretary of State.

Sir:-

I have the honor to enclose herewith a statement of my salary account for the quarter ending this day. A duplicate will follow in due course. 1/

You will notice that a balance of $184.91 is due me for loss by exchange. I am drawing upon you for this amount, and beg that my draft may be paid upon presentation. A separate 4

statement

statement of account will be forwarded as soon as the voucher for the sale of my draft can be received from Shanghai.

I have the honor to be,

Sir,

Your obedient servant.

Chester Holcombe

Enclosure.

1. Statement of salary account for quarter ending December 31st, 1882.

No. 88. One Enclosure.

Legation of the United States.

DEPARTMENT
FEB
23
1883
RECEIVED

Peking, December 31st, 1882.

John Russell Young to the Secretary of State.

Subject.

Legation rent account.

Synopsis.

Forwards a statement of this account for the quarter ending December 31st, 1882.

III

No. 88. One Enclosure.

Legation of the United States.

Peking, December 31st, 1882.

Honorable F. T. Frelinghuysen

Secretary of State.

Sir:

I have the honor to forward herewith a statement of the rent account of this Legation for the quarter ending this day. 1/88.

A duplicate will follow by next mail.

I have the honor to be,

Sir,

Your obedient servant.

Enclosure.

Enclosure.

1. Legation rent account for the quarter ending December 31st, 1882.

No. 89. One Enclosure.

Legation of the United States.

Peking, December 31st, 1882.

DEPARTMENT OF STATE
FEB 23 1883
RECEIVED

John Russell Young to the Secretary of State.

Subject.

Mr. Young's salary account.

Synopsis.

Forwards a statement of this account for the quarter ending December 31st, 1882.

No. 89. One Enclosure.

Legation of the United States.

Peking, December 31st, 1882.

Honorable F. T. Frelinghuysen.

Secretary of State.

Sir:

I have the honor to enclose herewith a statement of my salary account for the quarter ending this day. A duplicate will follow in due course. 1/89.

The Department will notice that a balance of $292.01 is due me for loss by exchange. I am drawing for this amount in the usual manner, and beg that my draft may be paid upon presentation.

presentation. A separate statement of account will be forwarded as soon as the certificate of sale of my draft is received from the Bank at Shanghai.

I have the Honor to be,
Sir,
Your obedient servant.
Fav. Russell Comy.

Enclosure.

1. Statement of salary account for quarter ending December 31st, 1882.

No. 90. Two Enclosures.

Legation of the United States,
Peking, December 31st, 1882.

DEPARTMENT OF STATE
FEB
23
1883
RECEIVED

John Russell Young to
the Secretary of State.

Subject
Incidental Expense Account.

Synopsis.

Covers a statement of this account for the quarter ending December 31st, 1882, with certain explanations.

No. 96. Two Enclosures.

Legation of the United States.

Peking, December 31st, 1882.

Honorable F. T. Frelinghuysen.

Secretary of State.

Sir:-

I have the honor to enclose herewith a statement of the incidental expense account of this Legation for the quarter ending to day. A duplicate statement will be sent by the next mail. 1/90.

In Department instruction number 38., in response to Mr. Holcombe's despatch number 141., the allowance for the incidental expenses

expenses of this Legation for the current fiscal year was increased to $800., and Mr. Holcombe was authorized to draw upon you for $48.59, being a deficit in this account for the fiscal year ended June 30th 1882. This sum was drawn by him upon the 24th of October and hence, as you will see, the Government is credited with his draft in the enclosed statement.

My draft for the allowance for the first quarter of the current fiscal year had been made at the old rate before your instruction

number

number 38. was received.
Since my draft for the present quarter has been made for $200. plus the difference for one quarter between the old rate and the new, say $43.75, or $243.75. which equals, say £50.1.9.
And I have written Messrs. Morton, Rose & Co. to this effect. 2/90.

I have the honor to be,
Sir,
Your obedient servant.

Jno. Russell Young.

Enclosures.

1. Incidental Expense account for quarter ending December 31st, 1882.
2. Mr. Young to, Morton, Rose & Co. 39/1882. November 17th, 1882.

No. 91.

DEPARTMENT OF STATE
MAR 1 1883
RECEIVED

Legation of the United States.
Peking. January 1st, 1883.

John Russell Young to
the Secretary of State.

Subject.

Receipt of instructions.

Synopsis.

Department instructions numbers 46. 47. 48. 49. 50. and 51. and circular of October 23rd have been received.

No. 91.

Legation of the United States.

Peking January 1st, 1883.

Honorable F. T. Frelinghuysen.

Secretary of State.

Sir:

I have had the honor to receive your instructions numbered respectively, 46. 47. 48. 49. 50. and 51., and a Circular dated October 23rd, 1882. in relation to fixing a common zero meridian of longitude to be used throughout the globe.

I have the honor to be,

Sir,

Your obedient servant.

Jno. Russell Young

Ack by no. this.

Circulars to Navy Dept. March 7, 1883. Editor

Wing

No. 92. Three Enclosures.

Legation of the United States.

Peking, January 2nd, 1883.

DEPARTMENT OF STATE MAR 1 1883 RECEIVED

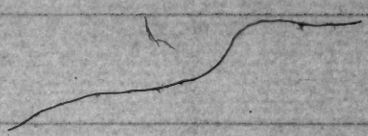
John Russell Young to the Secretary of State.

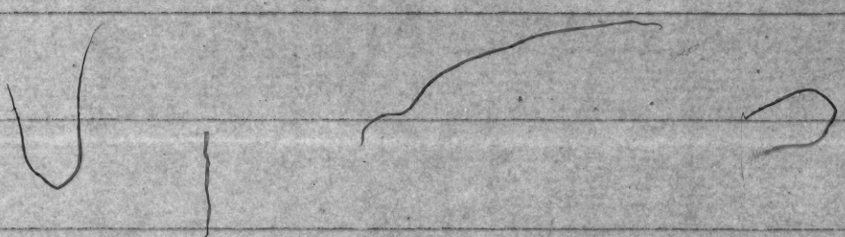
Subject.

Thanks of Japan for good offices in Korea.

Synopsis.

Encloses copies of correspondence with Japanese Foreign Office and Admiral Letitz upon this subject.





No. 92. Three Enclosures.

United States Legation.

Peking, January 2nd, 1883.

The,

Honourable Fred.k T. Frelinghuysen,

Secretary of State.

Sir,

In my despatch No. 27 I had the honour to report to the department, that the foreign office had expressed to this legation the thanks of the Chinese Government, for the aid given to the cause of peace by the presence of the Monocacy in Corean waters during the troubles last summer.

I

I have now the honour to en-

1/92. close a despatch from His Excellency the Japanese Minister for Foreign Affairs, in which that gentleman expresses to the Legation "the sincere thanks" of His Imperial Majesty's Government for the same service, and recognizes our efforts "in fa-
"vour of a peaceful solution of the questions
"existing between the governments of Japan
"and Corea."

His Excellency also makes special mention of the "consideration and court-
"esy" shown by Admiral Clitz, the com-mander, and the officers of the "Monocacy."

2/92. This message I have communicated to the Admiral.

3/92. In transmitting this correspond-ence, it is a gratification to the Lega-

-tion

tion to know that, in carrying out your orders in sending the "Monocacy" to Corea, we not only aided in maintaining peace between China and Japan, but did so in a manner to win the approval of the Governments of both countries, and strengthen American influence in Asia.

I am,

Sir,

Your obedient Servant,

Frederick Young

Enclosures.

1. Mr. Inouye to Mr. Young.
   2/1883 4th December, 1882.
2. Mr. Young to Admiral Clitz.
   1/1883 January 2nd, 1883.
3. Mr. Young to Mr. Inouye.
   2/1883 January 2nd, 1883.

Despatch No. 92.
Enclosure 1.

2/1883.

Mr. Inouye Kaori to Mr. Young.

Foreign Office.
Tokio Japan.
December 4th, 1882.

Sir,

I am gratified to be able to acquaint Your Excellency of the definitive settlement of the Corean difficulty. The supplemental convention concluded by Mr. Nanabusa at Saibustouho on the 30th August last, (a translation of which is enclosed) was ratified by H. M. the Emperor on the 30th ultimo and the ratifications have since been exchanged at this capital.

It is my agreeable duty in bringing to your attention this satisfactory intelligence, to express to you the sincere thanks of H. I. M. Government for your consistent and

and enlightened efforts in favour of a peaceful solution of the questions existing between the Government of Japan and that of Corea. I should fail to properly represent the sentiments of my Government did I neglect to make especial mention of the opportune dispatch by you of an U. S. Vessel-of-war to the coast of Corea or omit to tender through you to Admiral Glitz and the Commander and Officers of the "Monocacy" the acknowledgements of H. I. M's Government for their consideration and courtesy.

In requesting Your Excellency to bring under the notice of U. S. Government the high sense of appreciation in which your endeavours are held by H. I. M's Government, I beg to assure you of my most distinguished consideration.

(Signed) Inouye Kaori.

Despatch No. 92.

Enclosure 2.

No. 1/1883.

Minister Young to Admiral Kitz.

Peking, January, 2nd, 1883.

Sir,

I am in receipt of an official despatch from H. E. Mr. Inouye, the Japanese minister for Foreign affairs in which he requests me to tender to you. - and through you the commander and officers of the "Monocacy", the acknowledgements of H. I. M's Government, for your "consideration and courtesy" during the visit of the "Monocacy" to Corea.

In making this communication I have to express the pleasure it will afford me to inform the department of the good service, it has been in your power, so efficiently and promptly to render towards the maintainance of of American influence in Asia. It is a further gratification to know

that

that these efforts have strengthened the cause of peace, and have met with due and official recognition from the governments of China and Japan.

I am, &c. —

(Signed) John Russell Young.

Despatch No. 92.
Inclosure 3.

2/1883.

Mr. Young to Mr. Inouye.

Peking, January, 2nd, 1883.

Sir,

I am in receipt of Y. E.'s despatch dated December 7th, 1882. — In this you inform the Legation of the definitive settlement of your difficulties with Corea. — Your Excellency is good enough to convey to this Legation, — "the sincere thanks of N. J. M. — Government" for our efforts to maintain peace in Asia. You ask me further to convey to Admiral Clitz, the Commander and the officers of the "Monocacy" the — acknowledgement of N. J. M's Government for their "consideration and courtesy".

It has given the Legation great pleasure to send your despatch to the government. I have also conveyed to to Admiral Clitz your kind and — courteous message. In sending the

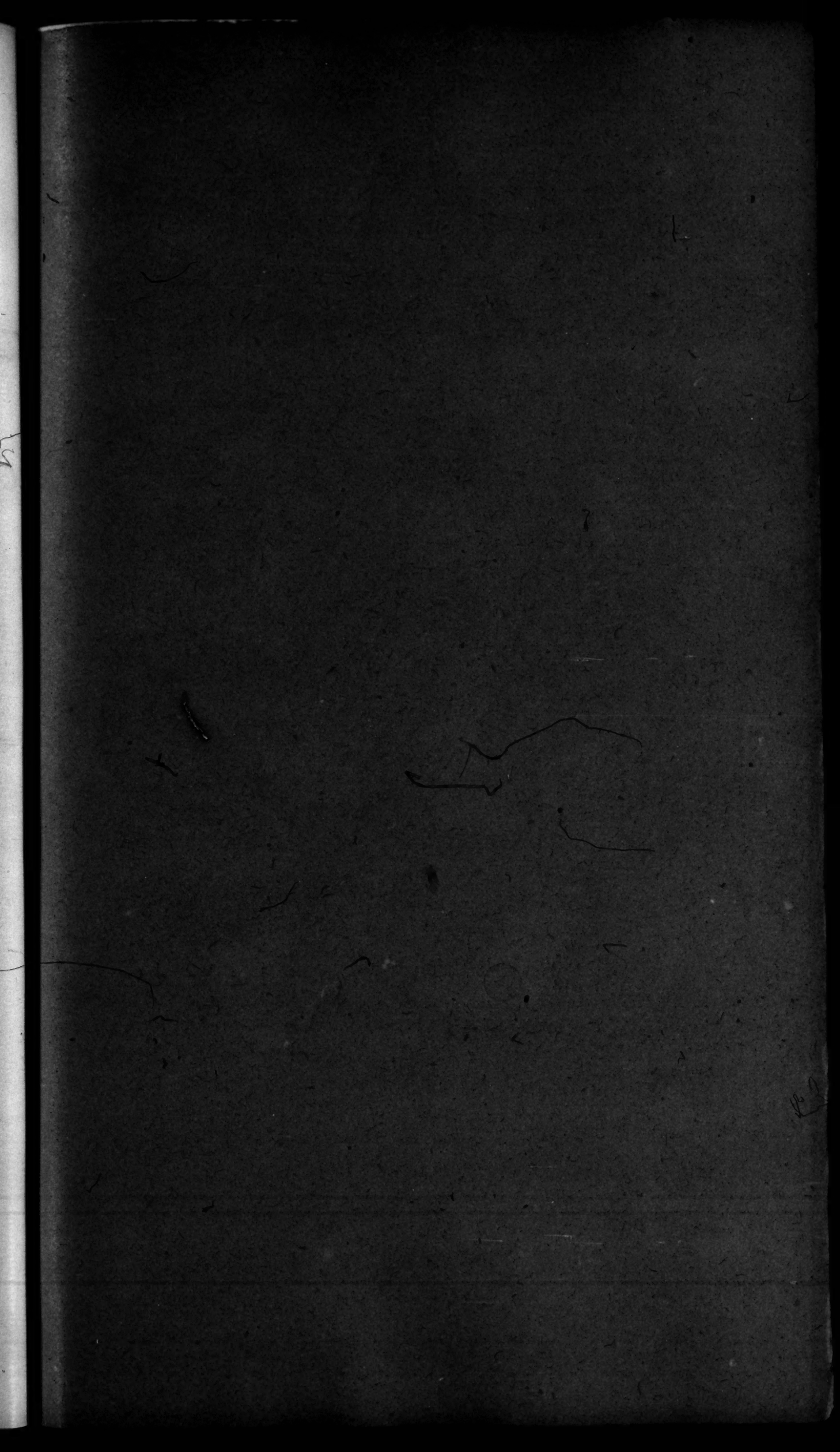
"Monocacy"

"Monocacy" to Corea I was only carrying out the orders of my Government, and giving Expression to the pain with which our people viewed the outrage upon your Legation and the massacre of your officials - and the hope that the outrage would meet with an atonement satisfactory alike to Japan and Corea.-

It is a gratification to learn from Your Excellency that the good offices of my Government, were understood in the spirit which inspired them. I congratulate you upon the happy termination of the difficulty, and thanking Your Excellency for your complimentary words

I am, &c - Your friend and obedient servant.-

(Signed) John Russell Young.



Refers to despatches numbers 72. and 79. and gives details of action taken by German Minister. Situation of foreign interests in China critical.

Confidential.

No. 93. Four Enclosures.

DEPARTMENT OF STATE
MAR 1 1883
RECEIVED

Legation of the United States.

Peking, January 3rd/4, 1883.

John Russell Young to

the Secretary of State.

Subject.

Interference with German interests at Amoy.

Synopsis.

Confidential.

No. 93. Four Enclosures.

Legation of the United States.
Peking, January, 3rd, 1883.

The
Honourable Fred.k T. Frelinghuysen
Secretary of State.

Sir,

In my despatches No. 72 and 79. I gave the department a narrative of the troubles between the Germans and the Chinese authorities in Amoy and Swatow. It was my pleasant duty to report that the foreign office, in obedience to the representations of the German minister, had given orders

to the provincial authorities to cease from any further interference with Germans in the enjoyment of their rights to manufacture under the treaties.

This was looked upon as a happy ending of a disagreeable incident — the evidence of an amicable and just disposition on the part of the government. A few days later came the startling news that the Taotai at Amoy had refused to obey the orders of the foreign office and had arrested the Chinese foreman of the German foundry and tortured him. I expressed to Mr. von Brandt the deep feeling of regret with which the Legation had heard of this violent proceeding, and felt sure that my government would regard it with

with regret and concern. Mr. von Brandt gave me, in confidence, a copy of the despatch addressed by the German Legation to Prince Kung. This is enclosed together with other letters mainly personal, - but throwing light upon the history of the case.

Mr. von Brandt also informed - me that he had ordered the German fleet to rendezvous at the ports where trouble had arisen, and if the government, as now seemed probable, was unable to protect Germans against the oppressions of provincial officials who defied its authority, he would take upon himself the protection of his countrymen.

I do not permit myself to doubt - that the central government desires to -

I met

meet the wishes of the diplomatic body, and protect foreigners actually engaged in manufactures, pending the discussion of the true meaning of existing treaty stipulations. This confidence, however, is not shared by some of my colleagues, who believe that the Taotai at Amoy obeys the secret and real orders of the foreign office, while he openly disobeys the mandate issued at the request of Mr. von Brandt. Whichever of these theories is the true one, the duty of the foreign ministers is plain. I have therefore said to Mr. von Brandt that, subject to the approval of the department, the Legation would unite with the other ministers in demanding from the throne an imperial decree commanding

manding respect for the orders of the foreign office. If the foreign office; at the head of which is Prince Kung, a prince of the blood and uncle of the Emperor has no power to enforce its decrees, then we are in the presence of a serious complication; and have no authority to which we can appeal for the protection of our people.

I perhaps should not have given this assurance without asking your special instructions. But the case is imminent and much time, now that navigation has closed, would have to elapse before I could have your orders. I am in hopes that the department will feel that in acting with the German minister the Legation has used a sound discretion. The question

at

at issue is one that concerns all foreigners, and as was recently seen at Shanghai in the case of Mr. Pelmore — and his cotton company, violently — suppressed by Chinese interference, we have as much to complain of, as the Germans. If the Chinese in — Shanghai had succeeded in arresting the compradore of Mr. Pelmore, they would undoubtedly have tortured him, as the foreman of the iron foundry was tortured at Amoy.

3/93. I have acquainted the Admiral commanding with this new phase of our complications and have said to him, that in the judgment of the Legation it was due to American interests that his flag should appear in Chinese waters, —

and

and that his presence at Amoy would be an advantage. — While our relations with China are so unsettled, and we have such grave and menacing incidents as those at Amoy, the presence of our men-of-war is an assurance of protection and strengthens the Legation in its discussions with the Yamên.

Since my letter to the Admiral was written I have received a despatch which I enclose informing the Legation that he would leave Yokohama about the 6th. of December for the South. This will bring his flag into our waters at an opportune moment - and serve in every purpose contemplated in

my

my despatches to him.

I have the honour to be,

Sir,

Your obedient Servant

Mr. Russell Gray.

Inclosures.

1. Mr. von Brandt to Prince Kung.
   December 21st, 1882.
2. Extracts from private letters.
3. Mr. Young to Admiral Clitz.
   53/1882. December 30th, 1882.
4. Admiral Clitz to Mr. Young.
   1/1883. December, 14th, 1882.

Despatch No. 93.
Enclosure 1.

Peking, December 21st 1882.

Mr von Brandt
to
Prince Kung and Ministers

The refusal
of the Taotai of Amoy to obey
the instructions of the
Tsung-li Yamen on the subject
of the release of two pass
which had been signed, obliges
me, to my regret, to bring
once more before Y. I. H. and
Y. Es. this question which,
from the declarations made
by the Ministers of the Yamen,
I had thought myself
authorized to believe settled.

The
refusal of the Taotai to
execute the orders received
by him renders him, of
course, personally responsible
for the losses which his

disobedience may cause to the Germans concerned and I reserve to myself the right of forwarding to G.I.H. a statement of the sums claimed under this head. The Taotai has, however, already been directly informed by the German consul at Amoy of the amount which will be claimed from him for every day that the orders which he has received are not executed.

The statement which I have received, that the Chinese foreman of the foundry had been arrested, carried to Chang Chow and tortured there, throws a still more unfavorable light upon the action of the Taotai. It is not my business to how far the division of the

authority of the Tsarevich which lies in the face of these measures having been taken after the receipt of the orders of the Tsarevich, may be in conformity with the rules of the Chinese service, but I am certainly entitled to demand the most stringent investigation and, if the guilt of the Taotai with regard to the arbitrary arrest of the foreman, and the application of torture to him should be proved, the severest punishment of this official and of all those implicated in the matter.

Y. I. H. and Y. Es. will understand, I feel certain, that the whole proceedings of the local authorities and especially the refusal of the Taotai

to obey the orders of the Tsungli Yamen affords a striking illustration to the complaints against the arbitrary proceedings of the provincial authorities which I, singly or together with the representatives of the other treaty powers have been wrongly so often obliged to bring forward.

It is according to the generally adopted views on international relations and to the express desire of the Chinese Government that complaints against the actions of the local and provincial authorities should not be settled on the spot by negotiations and those consequences which might spring from them, but that they should be submitted for discussion

and decision to the organ
of the Central Government
appointed for that
purpose and the diplomatic
representatives accredited
to His Majesty the Emperor
of China.

This in my
respect very desirable
proceeding is, however,
only possible if the
diplomatic representatives
have the certainty that on
the one hand the local
authorities will not
consider themselves
authorized arbitrarily to
place their own construction
upon the stipulations
of the treaties; and that
on the other, questions
and complaints referred
to Peking shall find a
speedy solution there.
Without the fulfilment

the affairs at Aney, those
of the Ministers whom I
had the honor to see
yesterday repeated to me
the assurance that in a
very short time the question
would be settled in the
way promised to me. I
hope as much more
that this will be the
case as I must decline in
the most positive manner
any responsibility for
the results which must
eventually follow should
the local authorities
continue to prove disobedient
to the orders of the Sultan
I have &c &c

Despatch No. 93.
Enclosure 2.

Private.

Mr. von Brandt to Mr Young.

My dear Mr Young.

x x x x

The refusal of the Taotai to obey the instructions of the Yamen is certainly a very grave thing. When I called at the Yamen today the Ministers assured me that I should receive very shortly a telegram from Amoy informing me that the question had been settled in the manner demanded by me and progressed by them. I told them that I should be very glad of it, but that I had to draw their attention to three demands which I should address to them in writing.

I. That the Taotai would have to indemnify the

proprietor of the foundry for any loss that he might suffer from the non execution by the former of the Tsungli instructions.

II. That I demanded that strict inquiry should take place into the action of the Taotai with regard to the arrest and torture of the foreman of the factory, and

III That the Yamen must take the necessary steps eventually to procure an Imperial decree to obtain obedience from the local authorities to any direct orders that they might issue.

The Ministers agreed very readily to numbers II and III but tried to prevaricate a good deal with regard to the I.st I shall however insist upon it.

The whole thing, though it is very distasteful and disagreeable to me, is in so far not unsatisfactory, as it gives the best proof of what we have told the Samoan in our collective note.

Yours very truly,
(signed) M. von Brandt.

Wednesday.

C

Mr von Brandt to Mr Young.

Peking, December 21st 1882

My dear Mr Young,

x x x x x x

The large question, that of the independent position assumed by the local authorities and the necessity of subjecting them to the control and the orders of the Central Government, will, of course, have to occupy our attention. I am preparing a short memorandum of the facts and a translation of the letter addressed today to the Tsungli by you, and I shall lay both before you and our Colleagues at our next meeting, when I shall willingly agree to anything you, or anybody else, may

propose with regard to a joint representation to be made to the Tamen.

x x x x

Yours very truly
(signed) M. von Brandt.

Thursday.

Despatch No. 93.
Enclosure 3.

No. 53/1882.

Minister Young to Admiral Clitz.-

December, 30th, 1882.

Sir,

In my letters, numbers 44 and 48. I have given you an account of the condition of our relations with the Chinese Authorities and of the unfortunate complications which have arisen out of our demanding our treaty rights to manufacture - In my latest letter Dec. 11th I expressed the gratifying hope that the Chinese would not "attempt to carry out an anti foreign "policy except by proclamation and "intimidation of their own people."

I am informed by telegraph from Shanghai that the incident of the attempted arrest of Mr. Bet-mores compradore about which I have written you has been ter-

minated

minated by the withdrawal of the warrant. I learn also that the interdict against the silk filatures manufactures of Messrs. Russell &c., has either been repealed or permitted to lapse.

The Foreign Office in obedience to the request of Mr. von Brandt sent orders to the Taotai at Amoy to cease from interference with a German iron-master. A promise was given that there would be no further acts of menace or intimidation. The Legation now learns the alarming news that the Taotai at Amoy has declined to obey the command of the foreign office and has arrested and tortured the Chinese foreman of the German foundry.

Mr. von Brandt has addressed the Foreign Office an emphatic despatch on the subject demanding the censure of the Taotai, restitution

and

and indemnity for the vice-founder and a decree from the throne assuring respect for the orders of the foreign office.

It is hoped that these demands will be conceded and especially the imperial decree in which all foreigners are nationally interested.

The fact that a provincial authority should disregard the mandate of the central government, and go on in his own way to do a cruel wrong to an innocent man, whose only fault was that he had taken service with a foreigner, has given the Legation a sense of grave concern, a sentiment which I am persuaded you will share.

After much deliberation I feel it my duty to say that in the opinion of the Legation the unsatisfactory condition of our

affairs

affairs with China, the growth and development of an anti-foreign sentiment, and the occurrence of so extraordinary an incident as the Ningpo Taotai's refusal to obey the orders of the central government, makes it of great importance to American interests, that our flag should appear in Chinese waters in whatever force you can spare. I think also that Ningpo should be visited. Should you concur in this view, I would thank you to read my letter dated Nov 24th which will recall the policy which the Legation believes should govern naval movements.

I have acquainted the Department of State with this action and remain with high consideration—

Your obedient Servant
(Signed) John Russell Young

Despatch No: 93.

Enclosure 4.

U. S. Flagship Richmond
(2nd Rate)
Yokohama, Japan
December 4th 1882

Hon. J. R. Young
Envoy Extraordinary and
Minister Plenipotentiary for
the United States to China

Sir,

I have the honor to inform you that I will leave this port about the 6th instant for the South.

Communication will reach me at Hongkong.

Very respectfully,
Your obedient servant,
J. M. B. Clitz
Rear Admiral Comdg.
U. S. Naval Force
on Asiatic Station

DEPARTMENT
RECEIVED

Ack'd March 7/83.

PRINTED FOREIGN RELATIONS 1883

PRINTED FOREIGN RELATIONS 1883

No. 94. Four Enclosures.

DEPARTMENT OF STATE MAR 1 1883 RECEIVED

Legation of the United States.

Peking, January 4th, 1883.

John Russell Young to the Secretary of State.

Subject.

Interference with American interests at Shanghai.

Synopsis.

Refers to despatch number 69. No further action taken at Shanghai. Dissatisfied with condition of American interests at Shanghai and with the course pursued by Vice Consul General Cheshire.

No. 94. Four Enclosures.

Legation of the United States.

Peking, January. 4th, 1883.

The

Honourable Fredk. T. Frelinghuysen

Secretary of State.

Sir,

In my despatch No. 69. I called the attention of the Department to the action of the Chinese authorities at Shanghai forbidding the manufacture of silk filatures by Russell & Co.. Despatches from Mr. Cheshire, the Vice Consul General which I enclose will show that so far as this special interest is concerned the Chinese have not attempted 1/94

attempted to enforce their interdict.

Mr. Thrashire apprehends that there will be no further opposition to the work and this opinion is confirmed

2/9/14. in a note from Mr. Grosvenor, the — head of the British Legation in — reference to the silk interest of an English house in Shanghai which had also been menaced.

While this is satisfactory so — far as the silk business of Messrs. Russell is concerned, it does not leave the general interests of foreigners, and especially their rights to — manufacture at the open ports in — as good a position as could be — desired. The Chinese have aroused a feeling of insecurity in Shanghai,

which

which will make foreign merchants diffident about investing capital — and render it impossible for Chinese capitalists to take interest in any — business under foreign control. — As a good part of the Shanghai — business depends upon Chinese — capital and as the Chinese, dreading the insecurity of their investments — when subject to the exactions of the mandarins, seek for foreign shares with an avidity which often lacks — in prudence; the moment it is known that the treaties cannot protect — foreigners in their manufacturing rights, the business will cease. No Chinaman, however eager for profit, — will take shares in a foreign enterprise

at

at the risk of being carried to prison and subjected to the cruel procedures of Chinese law.

The Chinese authorities having carried this point, having practically paralyzed the spirit of enterprise among foreigners and destroyed the sense of security in foreign houses among their own people, do not care about a minor incident like that of Russell & Co.,. They have practically abrogated the treaty and there will be no revival no extension of manufactures at the foreign ports until all is changed.

This is more clearly seen in the case of Mr. Wetmore which I discussed at length in my despatch No. 69. I then reported the extraordinary

action

action of the Chinese in attempting to arrest Mr. Wetmore's compradore on a charge of rebellion and offering to release him, provided Mr. Wetmore abandoned a proposed enterprise for the manufacture of yarn. The Department is in possession of the whole history of the case, and I have now to report the receipt of a despatch from Mr. Cheshire, 3/94. and which I enclose informing the Legation that the warrant for the compradore has been withdrawn.

Navigation is closed between Shanghai and the Capital and some time must elapse before the Legation is in possession of the details of this settlement.

I cannot conceal my regret that

that the question should have been
considered at Shanghai at all by the
Vice Consul General, beyond a formal
report to the Legation. My feeling
in this was expressed in despatches
No. 43 and No. 69. I repeat it in a
brief despatch of acknowledgement
4/94 herewith enclosed. The question was
entirely diplomatic. It involved the
right to manufacture and protection
in the enjoyment of that right, as
my despatches to you will show. The
diplomatic body in Peking were pressing
this with cogency upon the Foreign
Office. The sudden and violent action
of the Chinese in Shanghai and elsewhere
gave force to our demands. But when
this action was appealed by a minor

official

official in the American Consular ~~service~~ service to a minor official in the Chinese service, namely by the Vice Consul ~~General~~ General at Shanghai to the Viceroy at Nanking, the Legation could do ~~nothing~~ nothing. The case of the Comprador was so flagrant that I did not wish a settlement that did not carry with it Mr Wetmore's full rights, the rights of all Americans to manufacture, the reprimand of the Chinese official ~~who~~ who was audacious enough to use the forms of Chinese law to black ~~mail~~ mail, as it were, an American mer ~~chant~~ chant, and perhaps indemnity to Mr ~~Wetmore~~ Wetmore for his losses. Any appeal to the Foreign Office will now lose its force. We shall be told that the difficulty

has

has been arranged on our terms, that the Chinese have granted our demands, and that we must consider any mistake, as the error of an over zealous provincial official. The Legation feels that Mr. Wetmore has suffered grave wrongs while in the lawful pursuit of his treaty rights, but the action of the Shanghai Consulate general makes it difficult for the Legation to do anything to serve him.

I will reserve further observations on this subject, however, until I receive by mail a report of the incident referred to in the telegraphic message. I regret that I cannot report any practical improvement in our affairs at Shanghai and fear there will be none until the Foreign Office yields

to

to the pressure of the united powers.

I have the honour to be,

Sir,

Your obedient Servant

Thos. Lyons Young

— Enclosures. —

1. Mr. Theshire to Mr. Young
   Nos. 126 and 129 Dec. 11th and 14th, 1882.
2. Mr. Grosvenor to Mr. Young
   Private.
3. Mr. Theshire to Mr. Young.
   Telegram. Decem. 22nd, 1882.
4. Mr. Young to Mr. Theshire
   No. 30. January 11th, 1883.

Despatch No. 94.
Enclosure 1.

with enclosure

No. 126.

Mr. Cheshire to Mr. Young.

Shanghai, December 4th, 1882.

Sir,

I have had the honour to receive your despatch No. 24 — concerning the action of the — Shanghai Taotai in regard to — Messrs. Russell & Co's Filature, and carefully note the course suggested by you in dealing with this matter.

Since the date of my despatch to the Legation, numbered 122, of the 24th ultimo, nothing further has transpired in this business.

Though I do not anticipate any further opposition on the part of — the Taotai to the working of Messrs. Russell & Co's Filature, yet should — there be any new phase I will immediately telegraph you, as I readily understand the — importance, and necessity of the

Legation

Legation being placed in possession of the fullest information upon a question of so much concern to the interests of Americans, as well as other foreigners, and one involving an important principle.

It is my opinion however that the Taotai will recede from the position he has assumed, in regard to Filatures, in the usual Chinese way, and make no further opposition to their operation.

These establishments are working as usual and the communication he sent to the British Consul, and to this office seem to have had no prejudicial effect at all.

The Taotai left this port yesterday for Soochow to be absent several days. On his return I shall have an interview with him, and address you further on this business.

L.L.

I am Sir
(Signed) F. D. Sheshire.
Vice Consul General in Charge.

No. 129.

Mr. Pelham to Mr. Young.

Shanghai, December, 14th 1882.

Sir,

In the matter of the action of the Shanghai Intendent some time since in regard to the closing of Messrs. Russell Bro's, and Messrs. Iveson Bro's Silk Filatures, correspondence relating to which I transmitted to the Legation in my despatch No. 124. I have the honour to inform Y. E. that no further steps have been taken by the Chinese Authorities in the premises. The Taotai has not seen fit to communicate any further upon the subject, either to the British Consul or, myself. and I am inclined to believe that he is not disposed to interfere any further.

I am &c.

(Signed) F. D. Pelham

Vice Consul General in charge.

Despatch No. 94.
Enclosure 2.

Mr. Grosvenor to Mr. Young.

My dear Mr. Young.

I am not aware that the silk filature business has ever been actually interfered with in Shanghai. I have only knowledge of a correspondence between our Consul and the Taotai in which the former told the latter, in reply to a demand that manufactures be put down, that I held that certain treaty articles assured to foreigners the right of manufacture in the open ports. I hope that storm has blown itself out. -

* * * * *

Yours very truly.
(Signed) T. G. Grosvenor.

Wednesday.

Mr. Cheshire to Mr. Young.

Shanghai, December 2nd, 1882.

Dear Mr. Young,

No further action has been taken by Chinese Authorities regarding compradore and flature cases.
Mr. Wetmore told me the other day that he had heard from Hu the great banker that the Viceroy was only too willing to get rid of the compradore business as he was satisfied that Kung had brought the charges with malicious intent and that they were unfounded. He suggested a letter from me to Tso requesting immediate action being taken. I have adopted Mr. Wetmore's suggestion and have written a mild letter to Tso and believe it will result in the withdrawal of the warrant and perhaps the punishment of the instigator of these false charges.

Will

Will inform you of the result as soon as it is known.

The Cotton Cloth people or would be monopolists have certainly succeeded in breaking up Mr Helmore's company, but they have also damaged their own interests. Public opinion is strong in denouncing the action taken by these men. Our position is a good one, and I feel confident that success will crown our efforts.

Yours sincerely
(Signed) F. D. Cheshire.

Mr. Cheshire to Mr. Young.

Shanghai, Nov. 27th, 1882.

Dear Mr. Young.

. . . .

I sent the Taotai a semi official note requesting him to withdraw the prohibition against Electric Light and you will be pleased to learn that I have just received a favourable reply. I consider this matter settled. I fancy he was startled on receiving a joint letter from the Consular Body as well as semi-official notes British and French Consuls and myself. Nothing new in Silk Filatures, everything going on satisfactorily.

Yours faithfully
(Signed) F. D. Cheshire.

Mr Cheshire to Mr Young.

Shanghai Dec. 5. 1882

Dear Mr Young,

x x x x x

The present I learn is the last opportunity by steamer to write to Tientsin. I trust I have kept you posted in regard to the essential facts of the various questions which have arisen here, and such as you required. The Taotai has thus far found the consular body here a strong enemy to attack, especially so ably supported by the diplomatic corps.

Will use the wire on any occasion necessary.

x x x x x.

Yours faithfully
(signed) H. D. Cheshire.

Hon. John Russell Young
&c., &c., &c.

Despatch No. 94.
Enclosure 3.

The Chinese Telegraph Administration.

Tientsin Station

Telegram No. 310.

Given in at Shanghai the 22/12, 1882 at
10 h. 55 m. a. m.

Russell Young. Peking.
Post Tientsin.-
Compradore Case settled.
Chefoo.-

Dispatch No. 94.
Enclosure 4.

No. 30.

Mr. Young to Mr. Cheshire.

Peking, January, 4th, 1883.

Sir,

I have the honour to acknowledge your telegraphic message of December, 22nd informing the Legation of the withdrawal of the charges against Mr. Welmore's comprador and also your two unofficial notes dated Dec. 2 and Dec. 5th giving the Legation further information about the case.

I am glad Mr. Welmore's comprador is no longer in peril of the law but shall await with interest your report upon the whole subject.

In the meantime I cannot but express my dissatisfaction with the condition of our affairs at Shanghai. I mean the rights of Americans to manufacture

manufacture. As you say "the
"cotton cloth people or would be-
"monopolists have certainly succeeded
"in breaking up Mr. Pettmore's
"company. I do not want to
feel it possible that an American
citizen's rights can be thus
successfully invaded. I do not
see how, as matters now stand
any American merchant can
venture upon an enterprise in
Shanghai, or risk a dollar in
business which may be at the
mercy of a minor Chinese official.

So while I am pleased to
know that the comperadore is free,
it seems that the Chinese have
carried their point and only
the most strenuous diplomatic
action will place it right. I
do not question your own zeal
and courage in the management
of the affair, but I regret that
you ever had any dealings with
the

the provincial authorities. A settlement should have been made here, which would have carried with it everything, and if necessary indemnity to Mr Helmore for his losses. A settlement with a provincial official which merely withdraws a barren warrant and leaves Mr Helmore's company broken up is by no means satisfactory to the interests or the honour of our country.

I am &c

(Signed) John Russell Young.

Ack'd

Dr Wing

No. 95. One Enclosure.

Legation of the United States.

Peking, January 4th, 1883.

John Russell Young

to

the Secretary of State.

Subject.

Degredation of Li Saotai.

Synopsis.

Gives some information in reference to the degredation of this official who was prominent in Korean affairs last summer and is a favorite with Li Hung Chang.

No. 95. One Enclosure.

Legation of the United States.

Peking, January 4th, 1883.

Honorable F. T. Frelinghuysen.

Secretary of State.

Sir:

In various despatches sent to the Department detailing the history of the outbreak in Corea and the intervention by China which resulted in the treaty between Corea and Japan, reference was made to Yin Taotai, a young Chinese official who stood high in the confidence of Li Hung Chang, and who was the political head of the Chinese expedition to Corea. The Legation had occasion to note

the

the courtesy shown by this official to Commander Cotton of the "Ironsides" when in Corean waters. His success in Corea seemed to open a brilliant career in the Chinese service. This was to be welcomed by foreigners because Li Taotai was known to have a patriotic appreciation of the advantages to his native country of the methods of Western civilization.

Not long since the Legation learned that Li Taotai had been suddenly degraded by an order from Pekin. While nothing should surprise the observer in the strange and, at times, fantastic politics of China

China, the incident was so unusual as to excite inquiry. Happening at a time when the Legations were concerned about the sudden development of an anti-foreign sentiment in China, it was feared that his fall came from his foreign sympathies, known also as a protegé of Li Hung Chang, it was supposed that his degradation was the culmination of an influence opposed to Li, which meant to destroy the great Viceroy and intended the stroke at Jung Lu, as really a blow at him.

I wrote to a private gentleman at Tientsin to make some

some inquiries as to the reason or pretext for this decree, a gentleman who had intimate relations with the Viceregal Yamen. An extract from the
1/95. reply forms an enclosure.

This incident may seem too unimportant for a diplomatic despatch. But in studying the progress of events in China, what appears to be trivial in itself, may oftentimes throw the best light upon the inside movements of affairs.

I have the honor to be,

Sir,

Your obedient servant.

Jno. Russell Young.

Enclosure.

Enclosure.

1. Extract from private letter.

Despatch No. 95.

Enclosure.

Extract from Private letter from Tientsin.

* * * * * * * * *

An order came to the Viceroy for Ma's degradation and retirement but the Viceroy has managed at Peking to have it revoked, or rather to have his punishment mitigated to being deprived of his brevet rank of Customs Taotai which would have entitled him to take that office at one of the ports in a year or two. Ma was an easy prey to the Censors who tried to ruin him because he like all others who enter the official ranks by purchase rather than through the regular Examinations was considered as an interloper. He has never passed even the lowest examination in China though his foreign education (in Paris) fits him for the highest

highest duties in diplomatic affairs. Just before the river closed he went South to attend the funeral of his brother. — Another of his brothers is now the Chief Chinese Official in Corea, sent there by Li.

Received at Washington
Feby 15 M. Cheshire
March 5 1883
Cipher

writing

No. 96. Two Enclosures.

Legation of the United States.

Peking, January 5th, 1883.

John Russell Young
to
the Secretary of State.

Subject.

Missionaries in charge of Consulates.

Synopsis.

Gives copies of correspondence with Mr. Cheshire upon this subject. The Legation does not agree with the views expressed by Mr. Cheshire in his despatch number 358. to the Department.

No. 96. Two Enclosures.

Legation of the United States.

Peking, January 5th, 1883.

Honorable F. T. Frelinghuysen.

Secretary of State.

Sir:—

I have the honor to enclose a copy of a despatch from 1/96.
Vice Consul General Cheshire, in reference to the leave of absence sought by Mr. Consul Fuck of Tientsin, and of my reply to 2/96
the same.

The objections of Mr. Cheshire to the employment of missionaries and merchants in the Consular service have value so far as they are arguments

arguments in favor of such an organization of our consular system as will give us a competent staff of trained " officials sufficient for every emergency.

The Legation, however, does not share the apprehensions of the Vice Consul General as to the efficiency of " gentlemen whose previous " training has been in " missionary work. It often happens that this is the only class available. The records of the Legation show that in the labors of such men as Mr. Parker, Mr. Williams, Mr. Martin, and Mr. Yates, all of whom were

were from the missionary sphere of life, the Government had the advantage of fidelity, ability, and intelligent devotion to the national interests.

Mr. Pilcher, to whom Mr. Cheshire refers as the successor of Mr. Ruck, has a good name in China. The Legation does not feel that our interests will suffer in his hands, nor that the fact that he is a modest and faithful worker in a cause which commands the respect of all Christian men will unfit him for serving the country with as much zeal and success as it has been served by

by gentlemen of the same calling in years gone by.

I have the honor to be,

Sir,

Your obedient servant.

Jas Russell Young.

Enclosures.

1. Asst. Secretary Cheshire to Mr. Young. No. 130. December 16th, 1882.
2. Mr. Young in response. No. 29. January 4th, 1883.

Despatch No. 96.

Enclosure 1.

No. 130.

Mr. Chesterie to Mr. Young.

Shanghai, December, 16th, 1882.

Sir,

I have the honour to enclose 1/-
copy of a communication which I have addressed to the Honourable Third Assistant Secretary of State in regard to the interests of Americans in China being placed even temporarily in charge of Missionary or Merchant Consuls. As it is a question of great importance, it seems proper that the views I have expressed to the Department in relation thereto, should be communicated to the Legation.

I am &c

(Signed) F. D. Chesterie

Vice Consul General in charge.

Enclosure. -

1. Mr. Chesterie to Third Assistant Secretary of State. -

No. 358.

Mr. Cheshire to Mr. Adee.-

Shanghai, November, 2nd, 1882.

Sir,

Referring to Mr. Consul Zuck's despatch No. 51, wherein he makes application for leave of absence to visit the United States, which I have approved, I consider it my duty to inform the Department that there is a strong feeling among the officials of this Empire against transacting official business with missionary, or merchant Consuls, and the result is, that when such men are in charge of our interests, it very often happens that they are not treated with the same respect as would be shown a bona fide Consular Officer, or one who is not engaged in any other vocation.

Mr. Pilcher Vice Consul at Tientsin, whom Mr. Zuck intends to leave in

charge

charge of the Consulate during his absence, is a gentleman of unquestionable character, and good standing, but the fact of his being a missionary, - and that the Chinese official dislikes dealing with gentlemen of his profession, in an official capacity, is, I regret to say, a strong argument against the interests of Americans in China, being placed even temporarily in charge of such men.

Perhaps the strongest reason the Chinese Officials advance in support of the position they assume against missionary's holding official position in China, is, that they exercise judicial authority, and are not infrequently interested in some of the most difficult cases that arise between foreigners and Chinese, namely missionary cases.

I am &c. -

(Signed) F. D. Chesture

Vice Consul General in charge.

Despatch No. 96.
Enclosure 2.

No. 29.

Mr. Young to Mr. Chesire.

Peking, January, 4th, 1883.

Sir,

I am in receipt of your despatch No. 130 in which you enclose a copy of a despatch addressed to the State Department "in regard "to the interests of Americans in China "being placed even temporarily in "the charge of missionary or even "merchant consuls."

The Department will no doubt give to your views the consideration due to an officer who has spent so many years in China. The Legation believes that it would be better for the service if the Consulates could always be in charge of gentlemen who have been trained to consular work. Our Service does not always permit us to avail ourselves

ourselves of competent persons -
who do not belong to either the
missionary or the mercantile -
classes. Most of the Americans -
resident at the ports are either
in trade or in missionary labour,
and in such a case as that of Mr.
Zuck going home and leaving his
post in the care of Mr. Richer, we
are simply accepting a necessity.

If your views should in any
way contribute to such a reorgan-
ization of our service as will give
us a sufficient supply of officials
knowing the Chinese language
and familiar with the laws and
customs of the country so as to meet
such a case as that occasioned
by the withdrawal of Mr. Zuck,
the Legation will feel that our
service has been strengthened.

So far as the missionaries
are concerned it would be unfair
to a class of able, pious and

faithful

faithful men not to acknowledge with gratitude their labours in advancing American interests in China, when called upon to serve our country in the performance of consular and diplomatic duties. We find evidences of their patriotism and fidelity from as far back as the time of Mr Cushing my earliest predecessor, down to the present day. The archives of the Legation show that the labours of such men as Dr. Parker, Dr Williams, Dr Martin, and Dr Yates have done credit alike to their sacred office and the nation they served.

I am &c

(Signed) John Russell Young.

DEPARTMENT OF STATE
MAR 1 1883
RECEIVED

acted Off. Mr. Denby
March 8, 1883.

Confidential.

No. 97.

Legation of the United States.
Peking, January 6th, 1883.

John Russell Young to
the Secretary of State.

Subject.

Interference with German interests at Amoy.

Synopsis.

Refers to dispatch number 93. and gives further particulars of troubles at Amoy. A body of German marines have been landed. Offensive conduct of Chinese authorities.

Confidential.

No. 97.

Legation of the United States.

Peking, January 6th, 1883.

Honorable F. T. Frelinghuysen.

Secretary of State.

Sir:

In my despatch number 93. I reported to the Department the action of the German Legation in reference to the interference with German interests at Amoy by the Chinese authorities.

The Department will remember that Mr. von Brandt informed the Foreign Office that if it could not secure

respect

respect for its decrees from Provincial Authorities where German rights were concerned, he would charge himself with their protection.

Mr. von Brandt now informs me that he has received a telegram from Amoy, dated December 28th, which announced that the Taotai still refused to obey the orders of the Foreign Office and declined to release the iron guns which had been taken from the German foundry. The captain of a German man of war thereupon landed a body of sailors, marched to the Taotai's Yamen, took forcible possession of

of the iron spars and "
deposited them at the German
Consulate. No resistance was
offered by the Chinese "
authorities to this invasion of
their government house.

This incident, following
so hard upon the occurrences
at Swatow reported in my
despatch number 72., the
Legation views with deep regret.
These acts would be acts of
war in civilized countries, and
there is a natural repugnance
towards doing with China "
what we would not do with
Germany or England. At the
same time, the humiliation
to Chinese pride by the "
forcible

forcible invasion of her soil
is entirely due to the weakness
of her rulers, and the ignorance
and caprice of her Provincial
Authorities.

I have the honor to be,
Sir,
Your obedient servant.

Jno. Russell Young.

No. 1

One Enclosure.

Legation of the United States.

Peking, January 8th, 1883.

DEPARTMENT OF STATE
MAR
1
1883
RECEIVED

Chester Holcombe to the Secretary of State.

Subject.

Mr. Holcombe's Salary account.

Synopsis.

Refers to despatch of 31st ultimo and transmits a duplicate statement.

1

One Enclosure.

Legation of the United States.

Peking January 8th, 1883.

Honorable F. T. Frelinghuysen.

Secretary of State.

Sir:—

Referring to my despatch of the 31st ultimo, I have the honor to forward herewith a duplicate statement of my salary account for the quarter ended December 31st, 1882. 1/

I have the honor to be,

Sir,

Your obedient servant.

Chester Holcombe

Enclosure.

Enclosure.

1. Duplicate of salary account for quarter ended December 31st, 1882.

No. 98. One Enclosure.

Legation of the United States.

Peking, January 8th, 1883.

DEPARTMENT OF STATE
MAR
1
1883
RECEIVED

John Russell Young to
the Secretary of State.

Subject.

Legation rent account.

Synopsis.

Refers to despatch number 88. and encloses a duplicate statement.

No. 98. One Enclosure.

Legation of the United States.

Peking January 8th, 1883.

Honorable F. T. Frelinghuysen.

Secretary of State.

Sir:-

Referring to my despatch number 88. I have the honor to enclose a duplicate statement of the rent account of this Legation for the quarter ended December 31st, 1882. 1/98.

I have the honor to be,

Sir,

Your obedient servant.

Jno. Russell Young.

Enclosure.

Enclosure.

1. Duplicate of Legation rent account for quarter ended December 31st, 1882.

No. 99. One Enclosure.

DEPARTMENT OF STATE
MAR 1 1883
RECEIVED

Legation of the United States.

Peking, January 8th, 1883.

John Russell Young to
the Secretary of State.

Subject.

Mr. Young's salary account.

Synopsis.

Refers to despatch number 89. and encloses a duplicate statement.

No. 99. One Enclosure.

Legation of the United States.

Peking January 8th, 1883.

Honorable F. T. Frelinghuysen.

Secretary of State.

Sir:

Referring to my despatch number 89., I have the honor to transmit herewith a duplicate statement of my salary account for the quarter ended December 31st, 1882. 1/99.

I have the honor to be,

Sir,

Your obedient servant.

Jas. Russell Young.

Enclosure.

Enclosure.

1. Duplicate of salary account for quarter ended December 31st, 1882.

No. 110. One Enclosure.

Legation of the United States.

Peking, January 8th, 1883.

DEPARTMENT OF STATE
MAR
1
1883
RECEIVED

John Russell Young to the Secretary of State.

Subject.

Incidental expense account.

Synopsis.

Refers to despatch number 90. and forwards a duplicate statement.

No. 1011. One Enclosure.

Legation of the United States.

Peking, January 8th, 1883.

Honorable F. T. Frelinghuysen.

Secretary of State.

Sir:-

Referring to my despatch number 90. I have the honor to enclose a duplicate statement 1/100.
of the incidental expense account of this Legation for the quarter ended December 31st, 1882.

I have the honor to be,

Sir,

Your obedient servant.

Jno. Russell Young

Enclosure.

Encl

1. Duplicate of
account for qu
December 31st,

closure.

of incidental expense

quarter ended

Oct 4, 1882.

Acted on by D. Mch. 24th 1883 enclosed

See circular notes March 7th 1883.

No. 101.

DEPARTMENT OF STATE MAR 1 1883 RECEIVED

Legation of the United States.
Peking, January 9th, 1883.

John Russell Young to
the Secretary of State.

Subject.
Consular reports to the Legation.

Synopsis.
Refers to Department instruction number 51. in answer to Mr. Young's despatch number 7. Gives reasons for the issue of the circular in question, and urges strongly that the circular be confirmed and embodied in a regulation to be issued by the Department.

No. 101.

Legation of the United States.

Peking, 9th January, 1883.

The,

Honourable Fred.k T. Frelinghuysen

Secretary of State.

Sir,

I have the honour to acknowledge your despatch No. 51. in reference to the circular, dated August, 24th, issued by the Legation to the various consulates in China. I have also to thank you for the considerate manner, in which while approving the reasons of public policy which prompted this circular you call attention to my error in issuing

No. 101.

Legation of the United States.

Peking, 9th January, 1883.

The,

Honourable Fred.k T. Frelinghuysen

Secretary of State.

Sir,

I have the honour to acknowledge your despatch No. 51. in reference to the circular, dated 24th August, issued by the Legation to the various consulates in China.

I have also to thank you for the considerate manner, in which while approving the reasons of public policy which prompted this circular you call attention to my error in

issuing

issuing it without consulting the Department, and point out a method that would have been more satisfactory to you and more in accord with the regulations. This mistake you must attribute to an oversight - which may find an excuse in the fact, that when the circular was written, I had only been a few days in charge of the Legation, and not familiar with the routine of affairs. It would have been quite as agreeable to me, and in all respects for the public interest if the circular had as you propose been issued in connection with the Consulate-General.

Although this circular was written as I have said when I had just

just taken charge -- experience proves its utility. I am glad, therefore, to know that the principle involved has met with your approval. The Legation simply requests each Consulate to send "on the first of every month, a brief, topical summary, giving a list of all official communications" made and received, during the month preceding. In point of fact I merely revived a custom which existed under several of my predecessors, and lapsed after the retirement of Mr. Angell. The difference is that under the old custom the reports were made quarterly and I requested them monthly. I found on taking charge that grave public inconvenience had arisen because of the cessation of these

these reports. Some of these I brought to your attention in my despatch No. 7 and they need not be repeated now.

I submit to the wisdom of the Department, whether it would not be for the good of the service, to embody the suggestion contained in this circular in a regulation, so far as China is concerned and thus give it the value of law.

In making this recommendation I do not question the regulations, as they now exist, and more especially those which affect the relations between the Legation and the Consular service. If the Department will allow me - I think I can show, that these regulations were made for a service to which

China

China forms an exception. In the European capitals - Berlin, Constantinople, London, Paris, Rome, St. Petersburg, and Vienna, the Consuls general reside in the same city as the minister. This is practically true in Japan, where the Consul General at Kanagawa is within an hour of the Legation at Tokio. It is therefore a convenience to the various Legations, and likewise to the public advantage that there should be no direct correspondence between the Consuls and the ministers. Such correspondence is unnecessary as a minister can always learn within an hour or two by inquiry or conversation the state of public business, and whether any question has arisen requiring diplomatic

diplomatic action.

In China all is changed. — Our situation is unique and worthy of — special consideration. Peking is more than eight hundred miles distant from Shanghai. In the summer the mails take from seven to eight days. — in the winter fifteen to eighteen days. Without some regulation directing stated and frequent reports to the Legation, there is no way for the minister to become — acquainted with the public business — unless he writes by every mail to each consulate and asks for information. He must take whatever the Consul General — chooses to send him, and it may — happen, as it has happened in my own time, that questions entirely diplomatic

in

in their character will be reserved by the Consulate General and decided by him, under the impression that it is his duty so to do. The unlawful release of the three prisoners from the Shanghai jail detailed in my despatch No. 59. was only known to the Legation through a stray newspaper paragraph in an English newspaper. Important events have happened at Amoy and Swatow, events directly bearing upon our discussions with the Yamên of the rights of foreigners to manufacture under the treaties. The Legation has not heard one word in reference to these transactions either from Amoy, Swatow or Shanghai, and we have been dependant for our news upon the courtesy of the

German

German and English Legations. Questions which really have a diplomatic bearing will arise at a consulate, become a matter of discussion between the Consular and local Chinese authorities be referred to the foreign office and then come to the knowledge of the Legation for the first time.

This predisposition of the Consular mind to engage in diplomatic discussions has been observed by some of my colleagues, in their own service. Some governments unite the office of Consul General with that of Minister. The English government, whose policy in Asiatic diplomacy is the result of long and triumphant experience - does not have any Consul General in China. The duties of that

official

official are performed by the minister, - who is envoy extraordinary, minister plenipotentiary and superintendent of trade. He can transfer his consuls from post to post as the public interests may require, and the result is that English policy in China has firmness, unity and harmony, never missing an advantage for England and labouring ever to maintain her prestige.

The conditions of government in China, and our relations with the Cabinet, are unlike what prevails in other nations. - China is an absolute monarchy. - The emperor reserves the power to deal with the most minute and trivial incident in his realm. The government is not composed of departments, bureaus,

responsible

responsible officials, controulled by custom, routine, law and precedent but a body of officials, who to day are - and to-morrow are not; as the imperial will may decree: There can be no settlement of any question until it has passed the imperial eye. - This makes it necessary if our interests in China are to be fully served, that the Legation should know the exact state of the public business, and be prepared without delay to bring every question to the attention of the ministers in immediate attendance upon His Majesty. This cannot be done if our first intelligence of important events is to come by rumour, report, newspaper publication or through the occasional courtesy of another Legation.

There

There is no disposition on the part of the Legation to interfere in any way with the Consuls. — nor to suggest any change in the relations that should exist between them and the Consul — General. Nor would such a regulation as I suggest, in any way disturb those relations. — My only wish is that the Legation, which after all must deal with the Imperial Government, and which is entirely dependent upon the Consuls for that knowledge without — which it can do nothing, should know without delay the exact situation of our affairs at the ports. There are — precedents for a special regulation in favour of Shanghai. I might point out the case of Havanna, where the

Consul

Consul General, corresponds directly with the State Department, without regard to the Madrid Legation. Also Montreal, Melbourne, Aalijat and Calcutta, where the Consuls General although within British jurisdiction are independent of our Legation in Great Britain. Public convenience suggests these special regulations in the cities mentioned. - and the same consideration, I am persuaded, will convince the Department of the importance of a special regulation meeting the peculiar position of Shanghai.

The Legation here is so far away from home. - from all communication with the Department, and is compelled so often, to accept important responsibilities that there cannot be too much

much harmony between the Consular and diplomatic service. I am persuaded that such a regulation as I have now the honour to propose will add to that harmony - and strengthen our influence in China.

Again thanking the Department for the indulgent consideration to which I referred in the beginning of this - despatch.

I have the honour to be,

Sir,

Your obedient servant,

John Russell Young

Notes. mins. asst. March 5, 1883. Crosby

Wang & Detzler

Unofficial and confidential.

DEPARTMENT OF STATE
MAR 1 1883
RECEIVED

Legation of the United States.

Peking, 10th January, 1883.

The Honourable

Fredk. T. Frelinghuysen.

Sir,

It is my disagreable duty to bring to the attention of the Department an incident affecting the honour and discipline of our Consular service.

Sir Robert Hart, inspector general of His Imperial Majesty's Customs in a letter enclosed, informed the Legation that the Customs authorities had seized certain packages, shipped 1/

by

by Mr. M. A. Jenkins, interpreter to our Consulate at Hankow. Some of the packages contained, "an opium pipe, bowl, lamp, and a complete set of opium smoking accessories, none of which were mentioned in the application." The Customs Officer also reports that "in the lid of each box concealed behind a sliding panel, was a small mirror in the back of which was an indecent picture."

I requested Sir Robert Hart to obtain the evidence that Mr. Jenkins actually shipped the articles. That point seems to be wanting in the Customs' Commissioner's statement. Mr. Jenkins may aver, and it may so be shown, that the shipment was made by a Chinese agent who abused his name.

Upon

Upon receiving the result of Sir Robert Hart's inquiries, should it appear that Mr. Jenkins is guilty of this degrading charge the Legation will demand from Mr. Jenkins an explanation. I shall not be satisfied with any explanation, that does not carry with it the trial and punishment of the Chinese agent who dishonoured him.

I do not communicate this subject officially because I do not wish to put on record in the files of the department a charge of this nature against a Consular officer, until I am satisfied there is a prima facie case. At the same time as the Legation may be compelled to act under the powers conferred in regulation No. 115 of the

Consular

Consular regulations. I deem it of
importance that you should have at
the earliest moment the reasons for any
such action.

Sometime must elapse, on
account of the close of navigation,
before Sir Robert Hart can have an
answer to his enquiry. I sincerely
trust that the charge may prove to be
unfounded.

In response to the suggestion of
Sir Robert Hart, that he would if the
Legation preferred, report the matter
officially to the Chinese Government, in
order that the foreign office might make
a formal complaint. I answered that I
saw no reason for that proceeding. I
regarded the matter as before the Legation

officially

officially now and would act upon his information. A reference to the foreign office would only lead to unnecessary scandal

I have the honour to be,

Sir,

Your obedient servant,

Thos. Russell Gurney.

Enclosure.

1. Sir Robert Hart to Mr. Young.

Private. 3rd January, 1883.

Despatch No.
Enclosure.

Sir Robert Hart to Minister Young.

3rd January, 1883.

Dear Mr Young.

I enclose for your perusal and inspection a despatch, &c.- from Ichang. When done with, kindly return.

Whenever we find indecent pictures, &c.- among merchandise, we seize, confiscate and destroy, - lodging a sample here in the Inspectorate General.

It is bad enough for the Chinese to demand such filth; but it is a thousand times worse for foreigners to supply it. I rather think Mr. J. is, or was, your Consular Interpreter at Hankow. He is probably not the owner of these things, but it is a shame to allow him to lend his name i.e. American protection, to

pass

pass them inland.

Yours truly,

(Signed) Robert Hart.

P.S. If you prefer my doing so, I shall report the occurrence officially to the Yamên to deal with.

(Sd.) R.H.

Mr. Morgan to Sir Robert Hart. K.C.M.G.

No. 83
I.G.

Custom House.
Ichang. 4th Decem. 1882.

Sir,

On the 1st instant a package of goods was detained by me under the following circumstances.

It was a part of the cargo - which reached this port by the S.S. "Kiangtung" on 16th November, and on 1st December, when application was being made for a Transit Pass - on 15 packages of sundry merchandise, this package was included in a lot of 5 (part of the 15) thus described: -

Marks.	Pkges.	Description	Pieces	value.
ME	5.	Brass Opium Lamps	1779	282.60.
		wood boxes.	10	4.20

The application was made on behalf of - Mr. M.A. Jenkins, an American merchant in Hankow, by his Chinese Agents here and was signed "M. A. Jenkins Ling"

Ling"

Upon examination, four (4) of the packages were found to be in order; but one of them, besides containing 334 Brass Opium Lamps and the (10) Wooden Boxes, as described, had, also, in each of the boxes an Opium pipe, bowl, lamp and a complete set of opium-smoking accessories, none of which were mentioned in the application: and in the lid of each box, concealed behind a sliding panel, was a small mirror, on the back of which was found an indecent picture painted on glass.

The question of the undeclared goods, could, of course, be settled locally: but the presence of the indecent pictures makes a report of the circumstances to you necessary, in compliance with your circular No. 14, of 1874.

I have, therefore, now the honour

honour to inform you of the case, to enclose a copy of the Seizure Report, to forward you a sample of the picture in question in a separate parcel, and to await your orders. And, besides, I would solicit your instructions on one or two points connected with similar seizures.

* * * * * * *

I am of opinion that the mere destruction of such pictures as may be discovered by our officers will be quite ineffectual in checking their sale, so cheap are they and so easily concealed: and that, if the Chinese Government is intent upon suppression, much more stringent measures are needed with heavier penalties — penalties, however, which it would require special stipulations to enforce smoothly where, as in the case I am now reporting, a foreigner, it is well

Known

known, is only nominally interested; but, in other future cases, resistance may possibly be shown.

I have &c.

(Signed) F. A. Morgan.

Acting. Commissioner.

Report of Seizure.

Dec. 1st, 1882.

Mr. A. Jenkins en transit to Shanhai.-

			Tls.
1 Pkge. Brass Opium Lamps.		50 pcs	21.0.0.0
" " " "		32	25.--
" " " "		84	13.--
" " " "		168	30.-
Wooden boxes.	10		15.-

ea: containing.

1 Opium pipe and bowl.
1 Brass opium lamp.
1 " ash pot.
2 " Opium pots.
1 " Oil feeder.
1 Set opium instruments.
1 small brush.

} Not Entered on application.

Statement of Circumstances of Seizure.-

On Examining 5 Cases Suspected

supposed to contain Opium Lamps and wooden boxes only, for Transit to Chungking. M.A. Jenkins Applicant. I found that one of the cases contained 10 wooden boxes the lids of which had sliding panels. On removing them I found under each panel an indecent picture. The boxes also contained a complete set of instruments, pipe, lamp, &c &c for opium smoking, not declared on the application. I reported the case to the Commiss.r of Customs. who ordered them to be seized.

(Signed) L. de Breton
Asst. Exam.r

True Copy.
(Signed) Augustine Henry.
H.M. Asst. B.

Mr. Young -

Acted Upon Mr Young instructions to Mr Holcombe since he Telegraphed with Attempt to negotiate the matter of the Ward claim & the Kerjee claim will probably be left to the next Administration

Recd 19 83 Cridler

No. 102 Three Enclosures.

DEPARTMENT OF STATE
MAR 16 1883
RECEIVED

Legation of the United States.

Peking, January 13th, 1883.

John Russell Young to the Secretary of State.

Subject.

"Ward" and "Kerjee" claims.

Synopsis.

Refers to despatch number 86. Mr. Holcombe gone to Tientsin to effect settlement with Li Hung Chang. Incloses copy of his instructions.

No. 102. Three Enclosures.

Legation of the United States.
Peking, 13th January, 1883.

The Honourable
Frederk. T. Frelinghuysen.
Secretary of State.

Sir,

In my despatch No. ~~86~~ 62. I gave the Department an account of the correspondence between the Legation and Prince Kung in reference to the "Keorjeor" and "Ward" claims.

You will remember that in response to a suggestion from the Legation

Legation the Foreign Office consent-
ed to refer the claims to the Viceroy
and Grand Secretary of State —
Li Hung Chang. I gave the —
Department at length my —
reasons for this action and —
asked your approval of the same.

Mr. Holcombe left for —
Tientsin on the 9th instant —
with copies of all the records —
and papers in the case prepared
with care and in such a form —
that any point can be at once —
taken up and discussed. I —
1/102. enclose a copy of my confidential
letter of instructions to Mr. —
Holcombe on the basis of which
he will conduct the negotiations.

You

You will observe that I ask him to stand squarely on the ground laid down by Mr. Secretary Blaine in his despatch No. 101. dated June, 8th, 1881 and your own despatch No. 15. dated June, 28th, 1882. At the same time I have told him that if any proposition, substantially fair and made in good faith should come from the Viceroy, he should ask your instructions by cable.

I am very anxious to have these claims out of the way and settled in a manner just to China and honourable to the United States.

An intimation has come

come to the Legation from a personal source to the effect that the Foreign Office had instructed the Viceroy to say that China would pay the claims out of the Canton Indemnity Fund when restored to China. I said to Mr. Holcombe that if such a proposal were made he should say to the Viceroy in the clearest and frankest manner, that we cannot consider the two questions as having any bearing on each other. The disposition of the Canton Indemnity Fund is a matter within the control of the Legislative Department

2/102.

of

of the Government, for whose actions the Legation cannot speak. Any bargain or trade of this kind would vitiate the whole proceeding and be unjust and undignified alike to China and the United States. Our Government through its Executive had expressed its opinion as to the proper use to be made of this Fund and it was for Congress in its wisdom and at its own convenience to act upon that opinion. I should regard it as unfortunate if the claims were paid, that an impression should even by inadvertence

inadvertance be left on the
mind of the Grand Secretary that
we would as a consideration
for their payment returns the
indemnity. I requested Mr.
Holcombe to make our position
on the subject so plain that there
could never be any ground for the
imputation of insincerity or want
of good faith.

I also enclose a copy of
3/102 a personal letter to the Viceroy
in which I recommend Mr.
Holcombe to his best offices.

I have the honour to be,

Sir,

Your obedient servant

Jno. Russell Young

Enclosure

Enclosures.

1. Mr. Young to Mr. Holcombe.
   3/1883. 8th January, 1883.
2. Mr. Young to Mr. Holcombe.
   6/1883. 11th January, 1883.
3. Mr. Young to Li Hung Chang.
   Letter. 4th January, 1883.

Confidential. Despatch 102.
No. 3/1883. Enclosure 1.

Mr. Young to Mr. Holcombe

Peking, January. 8th, 1883.

Sir,

In pursuance of the understanding with the Foreign Office, I have to request you to go to Tientsin, and discuss the "Ward" and "Keeper" claims with His Excellency, Li Hung Chang, the Grand Secretary of State.

The unsatisfactory results of the efforts of the Legation for the last twenty years to secure a payment of these just claims, makes it of the highest consequence to the relations of both China and the United States, that they should be settled without further delay. In taking them up therefore, by the orders of the Department, my aim has been to prevent any new delay or postponement or evasion on the part of the

authorities.

authorities. This, I think, you will avoid by dealing with a single minister like the Viceroy Li, and it was for this purpose that I was anxious to have the claims referred to Tientsin.

It is unnecessary for me to recite the history of these claims. You are entirely familiar with them, and with the instructions of the Department given at various times and under various administrations.

The Legation finds itself governed by two of these instructions to which I now call your attention. The first is from Mr. Secretary Blaine to Mr. Angell in a despatch No. 101. dated June 8th, 1881. The Secretary presents the "Kenyon" claim as follows: "Charter of vessel, 14 months at

" 3000 taels = Taels 42,000.-

"Indemnity for loss. 12,000

"Add interest at 10% on

"on sales $4,000 from August, 1st
"1863 date of destruction of vessel to
"date of payment."

This specific instruction is followed up by a despatch from Mr. Secretary Frelinghuysen to myself No. 15. dated June 28th, 1882. in which the demand of Mr. Blaine is repeated and confirmed and the Legation is instructed to press for an early settlement. The condition of the Ward claim you will find in the archives of the Department.

Mr. Frelinghuysen, as you will note, accepts the decisions of the former secretaries of State as to the genuineness of these claims. Accordingly, therefore, you will make your demands in the manner directed by Mr. Blaine.

I see nothing in the records of the Department to justify any abatement in this demand. At

the

the same time there is every reason for a settlement and especially in the interest of the claimants themselves who have been so long deprived of their money. If Li Hung Chang, therefore, should make any proposition involving substantial justice to the claimants, a proposition that in your opinion would be acceptable to the Department, as a final settlement or even compromise of the case, you will send a cable to the Department and ask for instructions. I would in the first place feel satisfied that the offer was made in good faith. Any further action should be governed by the answer of the Department. The presence of Mr. Hill in Tientsin may be of an advantage so far as his claim is concerned. If the Viceroy should make you a proposition, even different from that of Mr. Blaine,

that

that Mr. Hill would accept I see no reason why we should not agree to it.

The "Ward" claims do not rest upon this basis, and we should be governed by the instruction of Mr. Blaine and any further orders that may come from the Department.

I may say, confidentially, on this point, that the only question the Legation, as now advised, would be disposed to consider and recommend to the Department, is the rate of interest. We demand interest at the rate of ten per cent. The Chinese Government pays Eight per cent for her loans, some of which are now at a premium of twelve or fourteen per cent. If Li Hung Chang should say to you that his Government should not be asked to pay more interest

to.

to private creditors than it does to public creditors, the argument is one that the Legation would not feel bound to refer to the Department.

In your negotiations with the Viceroy keep in view the position which I have urged upon the Yamên, namely, that our Government wishes the claims settled and the whole business out of the way. The Viceroy is familiar with them and knows their invalidity. I am in hopes that he will meet you in the proper spirit and that success will attend your efforts.

Please keep full memorandum of your conversations with the Viceroy and forward them to the Legation as soon as possible.

I am Rev.

(Signed) John Russell Young.

Confidential Despatch. 102.

No. 6/1883. Enclosure. 2.

Mr. Young to Mr. Holcombe.

Legation of the United States.

Peking, 11th January 1883.

Sir,

An intimation has been conveyed to the Legation from private sources, to the effect that the Foreign Office in referring the "Venice" and "Ward" claims to the Viceroy instructed him to say to you that China would pay them out of the Canton Indemnity Fund, with the history condition of which you are familiar.

This contingency was discussed fully in conversation before you left for Tientsin. You are therefore fully possessed of the views of the Legation upon it.

At the same time I feel some anxiety on the subject, and the reception

reception of the news about the re-
message of the Yamên by Li, renders
it my duty to instruct you in this
formal and official manner.

If the Viceroy makes this re-
proposal, or any hint or suggestion-
looking towards it, you will say -
in the plainest manner, that the -
disposition of the Canton Indemnity
Fund is not within our province to
consider. That rests with Congress.
For the Legation to hold out any
hope, or even to permit the existence
of a hope that because China paid
these claims, the Indemnity Fund
would be returned, would be lacking
in respect to Congress and in good -
faith to the Chinese Government. The
subjects cannot be considered re-
together as having any relation to
each other. The Viceroy knows the -
position of the Executive in reference
to the Indemnity Fund and the -
recommendations that have been

made

made by my predecessors, as to its return to China. There will be no harm in saying if it can be done without misinterpretation that the Legation remains in hearty sympathy with these opinions. But whether China paid the present claims or not the position of our Government would be the same as regards the Canton Indemnity Fund. We deal with that question upon its own merits, and in this spirit desire the Viceroy to deal with the question under discussion with him.

You will see the importance of this suggestion as it affects the future reputation of the Government and the Legation with the Chinese. I should regard it as a misfortune to feel, even if these claims were paid, that we had allowed through neglect or inadvertance the Chinese to entertain hopes as to the Canton Fund which might not be re-

realized

realized and which it is not in the power of the Legation to gratify. I, of course, have no apprehensions of this kind, but repeat the views of the Legation to make your way clearer.

I am &c

(Signed) John Russell Young.

Despatch 102.
Enclosure. 3.

Mr. Young to Li Hungchang.

Peking, Jany. 4th, 1883.

My honored and dear friend,

This letter will be em-
placed in your hands by the
Hon. Chester Holcombe, the
Secretary of the American Legation
— Mr. Holcombe goes to you to —
discuss certain questions of —
official business, which have
been long at issue between China
and the United States. Anxious
to have them adjusted, and to
have no longer any matters of
an irritating nature between —
your country and mine I em-
proposed to the Yamên, that —
among other things it would
be a gratification to the Legation
to have these claims and all
questions arising out of them
referred to Your Excellency. —

I

I was moved to this by the fact that Your Excellency as commander of the imperial army during the rebellion was familiar with the history of these claims, and with the circumstances under which they came into being. Your Excellency also knows of the service to China at the time of the persons who now ask compensation from your government. It was a further gratification to have the affair discussed by a statesman of enlightenment and experience who recognizes the value of complete harmony between China and other nations, and will see a way to bring this about.

It is a disappointment to me, not to be able to meet you in person and present the case of our government. Mr. Holcombe and I cannot without great public inconvenience be absent at the

came

same time from our Legation, — especially at a time when important questions are in discussion with the Yamên. Mr. Holcombe is entirely familiar with the claims, has discussed them and written about them for many years, and he will be able to answer any — point that may arise and — thus expedite public business.

I reserve myself the pleasure of soon seeing you, when we shall, I hope have more pleasant themes for conversation than a question of money obligations.

I have given Mr. Holcombe the instructions of my Government, which he will shew Your Excellency, that you may know the importance attached to these claims by the Washington Cabinet. I have also fully acquainted him with the views of the Legation. I have said that I wished him to meet Your Excellency,

in

in the most sincere and friendly spirit, to consider well any objection, or any new point of evidence that may arise in your mind, and above all things so to conduct the negotiations as to lead to a result honourable to your Government and satisfactory to mine.

I need not express the hope that you will meet Mr. Holcombe in the same spirit because of that I have no doubt. I commend him, therefore, to your best offices, and avail myself of this occasion to tender Your Excellency the assurances of my highest consideration.

Your sincere friend.

(Signed) John Russell Young.

United States Minister.

Mr. Young—

Copy to Lucy Taylor March 30, 83 Crisler

No. 113. One Enclosure.

Legation of the United States.

Peking, January 15th 1883.

DEPARTMENT OF STATE
MAR
16
1883
RECEIVED

John Russell Young to the Secretary of State.

Subject.

Military attaché for Legation.

Synopsis.

Covers copies of private letters upon this subject. Services which such an officer could render to China and the United States.

No. 103. Enclosure.

Legation of the United States.
Peking, 15th January, 1883.

The Honorable
Fredk. T. Frelinghuysen
Secretary of State.

Sir,

Shortly after I arrived in Peking, an application was received from Captain Arthur Mc Arthur, of the 13th Infantry, expressing a desire to serve in the capacity of Military Attachè, to this Legation. This application was sustained by a letter from General Grant. The

1/103.

military

military career of Captain Mc Arthur was indorsed by letters from General Geo. H. Thomas. Gen. Stanley and others. As I had no acquaintance with the Captain it was pleasant to know him from these letters to be an officer of sagacity and experience.

I have hesitated to make any recommendations on the subject, believing that the question of assigning military and naval attachés to Legations, belonged entirely to the Department. Nor do I venture upon any recommendation now, beyond sending you the papers, and saying that I shall be glad to welcome any officer you

you may assign into my official
family, and especially glad to have
one whose record is as creditable
as that of Captain Mc. Arthur.

The Legation is disposed
to concur in the opinion expressed
by General Grant, that a competent
military officer, as an attache in
China would do much good, "in
establishing better relations." I can
understand how such an officer might
for instance obtain an influence over the
Viceroy Li Hung Chang, who commands
the northern army, and who would be apt
to listen with attention to an
American Officer, who was a member
of the Legation and not in his service.
I can understand also how an influence

of that character would aid in introducing American arms and manufactures. I should expect better results from the opening of mines, the improvement of navigation, the building of roads and bridges - than from any direct or indirect connection with the army. The army, however, is so important a question in China, and especially with Li, whose heart is bound up in its organization upon Western models, that any officer of military qualities and experience would have special favour in his eyes.

The arguments against military attaches which would apply to

European

European Legations, would not be valid in China. An attaché is supposed to keep watch upon the military movements of a nation with which his own country may at any time be at war. As we have no such apprehensions we do not need the precaution. China a vast empire with majestic possibilities is in a state of development and change. The foreign powers are pressing forward to gain as firm a foothold as possible. England first in commerce controuls the Customs, directs the Opium traffic, and now aims to command the Chinese navy. The Customs service is the most powerful foreign agency in China, and is entirely an English institution

institution. There are a few officials of other nationalities enough to give it the reputation of impartiality and cosmopolitanism. The Germans are urging their interests with energy. They have officers in the Tsi Regal employ building forts and teaching European tactics to the soldiers. A German has gone to Corea to act as foreign advisor to the King, a most important appointment.

We have a few Americans in the Chinese Service. Some in the Customs - one or two under the Viceroy as mining experts - a marine officer Major Mannix in charge of the torpedo school at Taku. Dr. Martin a learned and

and distinguished American is at the head of the college in Peking. This college, however, is a part of the Customs Service, and its professors are appointed by Sir Robert Hart.

In the opinion of the Legation therefore the sending of a competent soldier as an attaché, would be of value - in the ways I have suggested. A good deal would depend upon the character of the person sent. - A serious, earnest, enthusiastic man, who took an interest in the constantly recurring problems of Chinese policy might do as much for America as Gordon did for England as a soldier

soldier, and Sir Robert Hart as a civilian. A mere aid or attachè caring simply for the social side of our life here would be only of ornamental value, and in no way to be desired. If you send me an attachè I shall use him to the best advantage, and I can see how a proper man would do the country much good, and in doing so, win credit and renown.

I have the honour to be,

Sir,

Your obedient servant

Mr. Russell Gurney.

Enclosure

1. Private Letters.

Despatch 103.-

Enclosure.

Letter from General Grant.

New York, June 10th, 1882.

Dear Judge.

I have a letter from your son Captain Mac Arthur, requesting my interest in his behalf to get him attached to the Chinese Legation. - Since my conversation with the Captain a few weeks since using the interest he has taken in Eastern affairs, and the study he has given the subject, I am not only satisfied that his selection would be the wisest that could be made but that the appointment of such an attache to our Chinese Legation might be attended with good results in establishing better relations with those people.

I

I know there is a sort of a morbid sensitiveness on the part of Congress, and the press generally, against trusting soldiers except in front of the cannon or musket. But if this matter is laid before the President, I will willingly give my views in favour of such an appointment, and of the selection of Capt. Mac Arthur for the place.

Very truly Yours.
(Signed) U. S. Grant.

Judge Mac Arthur
Washington.-

Endorsement from General
Geo. H. Thomas.

Head Qrs. Mil. Div. of the Tenn.
Nashville, Aug. 8th, 13th, 1865.

I cordially concur in all that Brevet Brig. Genl. Opdycke has stated within in regard to the services and merits of Col. Arthur Mac Arthur; having witnessed his bravery in battle, and being personally cognizant of the good discipline he has always maintained in his Regiment, the 24th Wisconsin Infty, whilst the regiment was under his command. I sincerely hope his application for an appointment in the Regular Army may be favorably considered.

(Signed) Geo. H. Thomas
Maj. General U. S. Army.

Letter from Gen. Stanley.

Head Quarters. Fourth Army Corps.
Camp Parker, June 5th, 1865

Hon. E. M. Stanton
Secretary of War.

I have the honour to re-
recommend to your Excellency
for appointment in regular
army to the highest rank pos-
sible up to his present rank,
in the Volunteers, Lieut Colonel
Arthur Mac Arthur, 24th Wisconsin
Infty.

Col. Mac Arthur, though still
a very young man, has by his merits
raised through the grades of a line
officer to his present position in re-
command of his regiment.

This Officer's name will be
found favourably mentioned in
reports

reports of all the battles this gallant regiment has fought in this department, which are all the great battles of this Army.

At the battle of Franklin, where Col. Mac. Arthur received two severe wounds, his services were most important, and were gallantly performed. In command of his regiment, he re-took our batteries at the very moment the enemy were about to turn them on us. Of good moral habits; possessing a good education, well informed and experienced in arms, Col. Mac. Arthur will fill any position in the regular Army, up to his present rank with credit;- If this rank cannot be given, I recommend him for the next highest in the gift of the Government.

Very respectfully,

(Signed) D. S. Stanley

Major General

Confidential

No. 104. Two Enclosures.

Legation of the United States

Peking, January 18th, 1883.

John Russell Young to the Secretary of State.

Subject.

Relations between Japan & China.

Synopsis.

Covers copies of two private letters upon this subject.

Confidential. Two enclosures.

No. 104

Legation of the United States.
Peking. 18th January, 1883.

The Honourable
Frederick T. Frelinghuysen.
Secretary of State.

Sir,

I have the honour to enclose some extracts from - 1/104.
a private letter written to me by Mr. Yoshida, former minister to Washington, and now Vice Minister of Foreign Affairs in Japan. Mr. Yoshida is

one

one of the most conservative of the Japanese ministers, and his views, expressed in the frankness and intimacy of personal friendship, will have value, as shewing the real sentiments of the Japanese towards China.

The Department may be interested to note Mr. Yoshida's response to my personal expression of regret to him, that Japan in making a treaty with Corea thought it best to exact an indemnity. I said that Japan was doing in Corea, what the Western powers had done in

Japan

Japan, when they imposed the Simonoseki indemnity. Mr. Yoshida explains that public-opinion in Japan compelled this fine. I can well understand this, and that the strong war-party in Japan composed of the old Sumauri or two-sworded warrior class will always be an embarrassment to a peace-loving government.- The constant restlessness of this class,- and its yearning for enterprise and adventure are at the bottom of all the pending difficulties between China and Japan. To this I might add the ill-omened advice of some Western powers whose ambition would be served by a

war

war between these two empires which would exhaust them both, and destroy their growing army and navy.

2/104. I also enclose ~~an extract~~ from the letter of a private gentleman in Tientsin who holds relations of a confidential nature with Li Hung Chang. This letter shews the temper of that statesman towards Japan, and will confirm the report I made in my despatch No. 33 of my conversations with him on the Loo-choo question.

The Legation awaits with some anxiety the action of the Japanese Cabinet upon the

the treaty signed between Li Hung Chang and the Corean Envoys, and which was discussed at length in my despatch No 85. This convention will create much irritation in Japan. I asked Admiral Enomoto the Japanese envoy the other evening if he had had any response from his government. He answered in the negative — but said he expected positive — instructions soon. I am inclined hopes that Japan will do nothing unless in concert with the powers who signed the treaty with Corea. — namely England, Germany and the United States. If these — powers act together, and Japan

does

does not create new embarrass-
ments, I am convinced that
the mistakes in the convention,
committed by Li Hung Chang can
all be rectified by a firm but friendly
appeal to the Foreign Office. This
appeal will have force because it
will be easy to shew the Chinese that
they have gained nothing by their
convention, but on the contrary, have lost
a great deal.

I have the honour to be,

Sir,

Your obedient servant

Jno. Russell Young.

Enclosures.

1.

1. Mr Yoshida to Mr Young.
December, 7th, 1882.-

2. Extract from Private letter. -

Private. Despatch. 104.
Enclosure One.

Mr. Yoshida to Mr. Young.

Foreign Office
Tokio - Japan
December. 7th, 1882.

My dear Mr. Young,

Your kind favour of the 10th October. came duly to hand.—

* * * * *

Your letter discussed in questions of commanding importance to Japan. It was exceedingly interesting and instructive, while the views held by you were no less gratifying to me, than to Mr. Inouye with whom I freely conversed upon the subjects referred to.

Mr. Inouye agreed with me that your discreet action in the direction of a peaceful settlement of

Corean

Corean difficulty, and your cordial sympathy with our manifest desire to inaugurate an era of better understanding with our neighbours, were entitled to a more formal recognition than that conveyed by my private letters and in consequence, by the opportunity taking this, you will receive an official note from Mr Inouye indicative of the sentiments entertained by our government regarding the course pursued by you.

We had no doubt whatever of the motives which prompted you to send the "Monocacy" to Corea.

× × × × ×

As you may readily imagine we were all heartily glad to be able to settle the affair with Corea in a manner honourable to both. The situation seemed indeed grave and we were not free from anxiety. We nevertheless had confidence in our

our soldiers and believed that in
although in an alien country, the
discipline to which they had been
subjected, would prevent them from
precipitating a crisis.

The settlement was, I think,
just and moderate. I appreciate
your statement that "the only point
in the treaty which I (you) did
not fancy was the indemnity." That
was and still is a question which
troubles (or bothers) some heads
here. But war cry against any
unfriendly nation is a thing very
difficult to stop; and I do not know
whether such cry would have been
put to an end (even temporarily)
were it not for that "only point"
set forth as a part of the settlement.
You can, I know, very readily
perceive the full meaning.

Had China pursued the course
we had every reason to expect,
having regard to her recent action

in

in connection with the treaties between the United States and Great Britain and Corea and her repeated declarations to the United States and France in former years regarding her relations with Corea, I have no doubt we would have been able to relieve ourselves of the indemnity incubus.

Not only did China gratuitously interfere in an unwarranted manner at the outset in a matter which concerned only Japan and Corea and between which two powers she was fully aware a solemn treaty existed, but her agents volunteered the opinion that our demands were exhorbitant

You know better than I can pretend to tell you the peculiar characteristics of Chinese diplomacy if we should spontaneously reduce the amount of the indemnity China would regard the act as an

indication

indication of weakness and fear on our part and as done in obedience to her dictation. Thus she would represent the case to Korea. You will readily perceive therefore that the blundering and vacillating policy of China has brought our inclinations into direct conflict with what we must consider to be sound policy.

We have no quarrel with China and we seek none. We have no wish to take advantage of her in any way or to commit any act in derogation of her sovereignty. Had we done so I believe we would possess the moral courage to acknowledge it, although I confess that disinclination to admit national wrongs, is the beseting sin of all governments.

* * * *

Japan is fully alive to the importance of establishing an entente

entente cordiale between the two countries and I am convinced I am within bounds when I say that Japan will always do every thing in her power to bring about a more perfect understanding.

But how can that desirable result be accomplished if our every act is viewed with distrust and suspicion by China; if in directions where China has repeatedly disclaimed responsibility we are unable to protect our own rights without wounding the sensibilities of the Middle Kingdom?

In regard to Formosa, Riu Kiu and Corea the same tactics have been used; that mysterious but accommodating suzerainty which may at pleasure be denied at will invoked has been appealed to, and because to-day we are unable to see the invisible tie uniting Riu Kiu and Corea to

China

China, which but yesterday China herself declared did not exist, we are accused of insulting the Imperial honour.

The situation is difficult, but we are not without hope of a final accommodation, so long as we are assured of your friendship and goodwill.

You have kindly permitted me to avail myself of your good offices in any way, and if this long letter has not already exhausted the full measure of patience which that permission implied, I hope you will not only freely consult and advise with Admiral Yenomoto upon the important subjects which we have discussed, but that you will give me the pleasure of hearing from you often and in return I assure you I will endeavour to keep you fully informed regarding affairs here.

I

I conveyed to their Excellencies Sanjo, Iwakura, Inouye, Saigo, Kawamura and others your kind remembrances and they one and all requested me to present to you their kind regards. This I gladly do for you

× × × × × × × ×

Yours most sincerely,

(Signed.) Yoshida Kiyonari.

Despatch 104

Enclosure 2.

Extract from a private letter to Mr Young.

x x x x

I think it will be useless to try to change Chinese policy regarding Corea and Soochoo. This Government is bound to stick to its claims upon those countries as tributary to China, and the wish of the Viceroy shared in by Prince Kung is to tide over any troubles which may arise by paying them way out wherever necessary for a few years to come until China is strong enough to fight successfully for what she considers her own. It is certain that Li and his party in Pekin are laying up for a day of reckoning with the Japanese. All the aggressive moves made during the

the past few years, and after all that has taken place I don't think the Chinese would consider as their friend anyone who would disregard their theories and attempt to justify what Japan has done. Corea was opened by China simply in the hope of checking Japanese enterprise or ambition. While China does not wish to be concerned with the internal affairs of Corea, she wishes to control her external relations. This Manchu dynasty sets great store by the country of its origin, Manchuria, and do not want Japan to come any closer to it than at present. China is also interested in keeping the Japanese off the mainland, where they would be more formidable if they obtained a secure footing.

x x x x

March 19 1883 Order

Act 18

Wing

No. 105. Two Enclosures.

Legation of the United States.

Peking, January 18th, 1883.

DEPARTMENT OF STATE
MAR 19 1883
RECEIVED

John Russell Young to the Secretary of State.

Subject.

Congress to determine zero meridian of longitude.

Synopsis.

Refers to circular instruction of October 23rd, 1882. Chinese Minister in Washington to ask our Government to detail suitable officers to represent China, correspondence with Prince Kung.

No 105 Two Enclosures

Legation of the United States,

Peking, January 18th 1883.

Honorable F. T. Frelinghuysen

Secretary of State,

Sir:-

As a further reference to your circular dated October 23rd 1882, which I acknowledged in my despatch No 91, I have the honor to forward copies of correspondence between the Legation and H. I. H. Prince Kung. 1/105

The Department will observe that the question of China's representation in the proposed international conference

conference, to decide upon
a common zero of longitude,
has been referred by H. I. H.
to the Chinese Legation in
Washington. The suggestion,
that perhaps the Imperial
Government would ask the
Department to permit officers
from our military or naval
service to represent China,
seems to have been received
with favor by the Foreign
Office. It was made because
it seemed to be the only
practical way by which
China could be induced
to take part in the conference,
and give her consent to its
deliberations

deliberations and conclusions.

I have the honor to be,

Sir,

Your obedient servant

Jno. Russell Young

Enclosure

1. Mr Young to Prince Kung.

1/1883 January 3rd 1883

Prince Kung to Mr Young

2/1883 January 10th 1883

No. 1/1883. Enclosure.

Minister Young to Prince Kung.

Peking, January, 3rd, 1883.

Y. I. H.

In October 1880 Minister Angell requested Y. I. H. to instruct the local authorities at Shanghai and Amoy to render such assistance as might be necessary to Commander Green of the United States Navy who had been instructed to prosecute certain astronomical observations for the purpose of determining telegraphically secondary meridians of longitude

Y. I. H. granted this request and the work of Commander Green was carried to a satisfactory conclusion.

I am now instructed by

my

my Government to submit the enclosed circular to Y. I. A. for your consideration and to inquire whether the Government of Y. I. A. is disposed to appoint delegates to consult with similar officers to be appointed by other Governments to meet at Washington in the near future to fix upon a meridian proper to be employed as a common zero of longitude and standard of time reckoning throughout the Globe.

In explanation of this inquiry I need only point out to Y. I. A. that in the past some four or five different zero meridians have been used by the officers and people of different nations in commerce and navigation and that much confusion has resulted. The importance of fixing upon a common unit of longitude has been generally recognized by

all

all the leading Governments of the earth. The subject is one in which all are equally interested and in which the benefits to be derived will be equally shared by all.

I venture to express the strong hope that Y. I. H. will be able to give a favourable answer to the inquiry which I am directed to make. —

I have &c. —

(Signed.) John Russell Young.

N°. 2/1883. Enclosure.

Prince Kung to Minister Young.

Upon the 3rd January I had the honour to receive a despatch from Y. E. inquiring whether this Government would be willing to appoint delegates to proceed to Washington and there to meet delegates to be appointed by other Powers to agree and fix upon a common zero of longitude to be adopted in future by all. Y. E. remarked that the desirability of such action was universally acknowledged, that it would be a common and equal benefit to all in removing serious inconveniences met with in the past, and you expressed the hope that this Government would see its way clear to appoint delegates, etc. etc. —

Upon

Upon the same day Mr. Holcombe, Secretary of the Legation, came to the Foreign Office and in conversation upon the subject remarked that, in case China had no officials sufficiently familiar with such matters to act as delegates, an arrangement could perhaps be made under which the Chinese Minister either at London or Washington might request through the proper channels that suitable officers in either of those countries be delegated to represent China in the Congress.

I beg leave to observe that as this is a question of great concern to commerce and navigation, Mr. Holcombe's suggestion will be acted upon, and H. E. Ch'êng, Chinese Minister at Washington will be instructed by the Foreign Office to take the necessary steps in the premises. When he shall have

have reported his action to me.
I will address you further.

Honourable John Russell Young.
- &c - &c - &c - &c -

Peking, January, 10th, 1883.

No. 106 Dated Jan. 20. 1883 Rec'd Mch 20. 1883

Two Enclosures.

DEPARTMENT OF STATE MAR 20 1883 RECEIVED

Legation of the United States.

Peking, January 19th, 1883.

John Russell Young to the Secretary of State.

Subject.

Case of Mr. Wetmore's compradore.

Synopsis.

Refers to dispatch number 94. and encloses copies of correspondence with Mr. Cheshire. Unfortunate action of the Vice Consul General. Have instructed him to decline further correspondence with the Hanking Viceroy.

No. 106. Two Enclosures.

Legation of the United States
Peking, 19th January, 1883.

The Honourable
Fredk. T. Frelinghuysen.
Secretary of State.

Sir,

I have the honour to enclose certain correspondence between the Legation and the Consulate General at Shanghai. 1/106.

In my despatch No. 94 I sent the Department a copy of Mr. Cheshire's telegram announcing the release of Mr. Wetmore's

Wetmore's compradore. I also expressed the regret of the Legation at the failure of Mr. Thestine to apprehend our wishes in dealing with this incident. This regret is not diminished by reading the further narrative contained in the despatch. The Vice Consul General seemed to labour under the impression that the only question before him was the release of the compradore, and that to secure this any concession, compromise or advance on our part was allowable. The view of the Legation was that the compradore was never in any danger.

that

that the real point was the safety of Mr. Wetmore's interests. - and - that when the Chinese authorities, and especially a man as ~~~ eminent as the Viceroy of ~~~ Nanking descended to the indignity of issuing warrants against Chinese for alleged capital offences merely because they ~~ invested money in an American enterprise, we were bound to resist it as an act of terror and ~~ intimidation, as the inception of a policy which might at - any time be used to jeopardize - all foreign rights in China. ~~ Any concession or advance or compromise on our part in the

presence

presence of this act of menace, — appeared to the Legation to lack in dignity, and not conduce to the best relations with the Chinese.

As the case has been settled on our own terms - it seems — difficult to bring it before the — Yamên in such a way as to — revive the question of Mr. Nethmore's rights and secure him justice. — Should occasion offer when this can be done it will afford the Legation great pleasure to do so.

Mr. Cheshire refers to a — despatch from the Viceroy of Nankin in which that official proposes to — address the Consular body on "the question of foreigners in Shanghai using

"using machinery for the
"manufacture of cotton yarn and
"weaving", and asking the Consuls
"to prohibit their subjects from carrying
"on such enterprises."

This is now in discussion -
with the Yamên, and its history -
is in the archives of the Department.
The negotiation has reached an
important stage. The representatives
of all the powers have united in a
note which has been addressed to
the Yamên setting forth the opinions
of the diplomatic body as to the true
meaning of our treaties. It is of -
the utmost consequence that nothing
should be done at Shanghai, to -
imperil our position and especially

the

the good understanding which exists between the representatives of foreign powers. It is a matter which must be decided at Peking with the ministers of His Majesty and not with a provincial Viceroy. I have therefore requested Mr. Cheshire not to enter into correspondence with the Viceroy without first referring any communication he may receive to the Legation and receiving instructions.

2/106.

I trust this action will meet with the approval of the Department.

I have the honour to be,

Sir.

Your obedient servant

Nicholas Roosevelt

Enclosure

1. Mr. Theshire to Mr. Young.

133. December 22nd, 1882.

2. Mr. Young to Mr. Theshire

33. January, 18th, 1883

Despatch. 106.

No. 133. Enclosure 1.

Mr. Thurshire to Mr. Young.

Shanghai, 22nd December, 1882.

Sir,

Upon the 18th instant I received a despatch from H. E. the Viceroy Tso Tsung Tang, in reply to a communication which I addressed to him on the 3rd instant, in reference to the case of Mr. Wetmores' Comprador, wherein he informed me that he had instructed the Shanghai Taotai to examine Wang Ko ming, with a view to ascertaining whether he had been guilty of complicity with the rebels, and to report to Nanking accordingly; that he considered this a speedy and convenient way of bringing the matter to a close, and that the Comprador need not be arrested and sent to Nankin. This virtually meant the closing of the case, after the Taotai's examination. In his despatch the Viceroy also observed

that

that he had received the joint communication from the Consular body in reference to Mr. Nelmore's Yarn Company, and his compradore, and after thoroughly considering the matter of Foreigners at Shanghai using machinery for the manufacture of cotton yarn, and weaving, (silk piece goods) he intended to address a despatch requesting the several Consular Representatives to prohibit their subjects from carrying on such enterprises. I also received a note from the Taotai, accompanying the Viceroy's communication, wherein he requested me to instruct Wang Ko ming, in accordance with the Viceroys instructions, to appear at his Yamên for examination, to the end that the case can be closed. I at once called on the Taotai and arranged with him that the investigation should take place in my presence as U. S. Assessor, in accordance with established usage which he did not object.

The

The investigation took place on yesterday. No one appeared against the Compradore and not a single witness was examined, in fact there were none present to examine. The Compradore denied the charges alleged against him, and stated that they were trumped up for the reason that he was connected with Mr. Belmore, who had started the Cotton Yarn Company, and with whom he had served over thirty years.

At the suggestion of the Taotai the Compradore agreed to give a bond signed by several Chinese of good standing, as security, to the effect that he had never been implicated with the rebels, which he (the Taotai) would transmit to the Viceroy, and here the comedy of the examination ended.

Previous to the examination the Taotai expressed to me, privately that while he was fully satisfied that the

the Compradore was innocent of the charge preferred against him he was obliged to carry out the Viceroy's instructions, and go through the formality of an investigation.

While I have not been unconscious of the fact that the case was a delicate one to deal with, yet it is satisfactory to know that I have been successful in maintaining the position I assumed at the outset, with such favourable results, and without prejudicing the pleasant relations between the Chinese Authorities and myself. I consider an important victory has been achieved, and a strong precedent established for any future cases of a similar nature.

I have telegraphed you as follows.,

"Compradore case settled."

I shall transmit to you copies in Chinese and English of the correspondence between the

Viceroy

Viceroy and myself as soon as I can have them prepared.

I have &c.

(Signed) F. D. Cheshire

Vice Consul General in charge.

No 33.

Despatch 106
Enclosure 2

Mr Young to Mr Cheshire

January 18th 1883.

Sir:-

I have the honor to acknowledge your despatch No 133 dated December 22nd 1882.

In reference to the compradore's case I am glad to know that he has been released, but regret exceedingly that one of the consequences of our action has been the destruction of Mr Watmore's company. You also say that the Vicroy Foo has been considering the matter of "foreigners "at Shanghai using machinery "for the manufacture of cotton "yarn and weaving," and that he intended to address to you a despatch "requesting the several "consular representatives to prohibit their

"their subjects from carrying on
"such enterprises."

The Legation does not wish you to have any correspondence with the Viceroy on this subject without special instructions from here. I reserve to myself the right to conduct the negotiations and do not propose to do so with a provincial official of the empire. The question cannot be understood without a knowledge of our dealings with the Tsungli Yamen. You will therefore please acknowledge any communication you may receive from the Viceroy and say that you will receive any answer until you have heard from Peking. I am especially solicitous on this point as it is an important incident in a most important discussion with

with the Yamen which I do not wish to see imperilled by any consular action, based upon an imperfect acquaintance with its history and of our relations with the other legations with whom we are acting in harmony.

I am, Sir,

Your obedient servant,

(Signed) Jno. Russell Young

Writing

Item with initial March 30 - 1883

No. 107. One Enclosure.

Legation of the United States.

Peking, January 19th, 1883.

John Russell Young to the Secretary of State.

Subject.

Treatment of the father of the King of Corea at Paoting-fu.

Synopsis.

Covers a copy of a letter from the Japanese Minister upon this subject. Interest felt by Japan in it.

No. 107 One Enclosure

Legation of the United States

Peking, January 19th 1883.

Honorable F. T. Frelinghuysen

Secretary of State.

Sir:-

The Japanese Minister, Mr Enomoto sends to the Legation an extract from a private letter in reference to the treatment of the Prince of Corea by the Chinese authorities. I enclose it for the information of the Department. 1/107

The Japanese feel an interest in the fate

fate of this Prince, —
arising from the fact
that his imprisonment
by the Chinese is regarded
as an unwarranted exercise
of sovereign rights, and
an expression of China's
purpose to maintain,
in all essential points
at least, suzerain power
over Corea.

I have the honor to be,
Sir,
Your obedient servant,

Thos. Russell Sampson.

Enclosure.

1. Extract of a letter from Seoul

Despatch 107
Enclosure

Extract of a letter from Seoul

Tai-In-Kun is kept in confinement at Paotingfoo under the following restrictions:

1. He will never be permitted to return to the East. (Corea)
2. He is not allowed to have a private interview with the Coreans.
3. He is not allowed to correspond or to have a private interview with the Chinese (officers of guard and soldiers are excepted) as well as foreigners.
4. Sealed packages of clothing and letters to and from Corea shall not be permitted to pass through the gate. They must be submitted to the inspection of the guard officers.

5. He

5. He may be allowed to go out once or twice a month within certain limits — always accompanied by the guards.

6. Provisions and clothing &c shall be amply provided for but whatever a trifling thing may be over the fixed number and quantity, — strictly prohibited.

7. He is not allowed to have in possession, gold, silver, precious stones &c.

8. In case of illness he will be treated with special care by the guard officers.

It is said that at the moment when Tai-Du-Hsiu was to be taken to Tientsin he wrote confidentially to his son Li Say-Bau to the following effect that "It was my desire also to

see

"in Corea and now I am
"going to make a journey
"and would return within
"ten days. However I regret
"there is not reliable
"attendant around me through
"whom I may communicate
"my idea.

"The Coreans are so
"cunning that it is
"impossible to convey by
"them what I wish.

"Japanese
"like as the Europeans are
"so fraudulent and did injury
"to our country. I feel very
"angry for it. But for the
"present it would be better
"to make pretention to be
"friendly toward them so as
"not to create a difficulty
"with them and let them
"feel at ease. In future there
"will be a time for effacing.

"

From

"from our memory the present disgrace &c."

Korean Government Departments at Seoul.

Prime Minister	穆國	洪淳
Vice Prime Minister.	金炳	金炳

Board of Civil Office.

Minister	元禹	李載
Assistant Minister	李敦	李敦
2nd " "	朴周	朴周

Board of Revenue.

Minister	始鎭	金炳
Assistant Minister	尹成	尹成
2nd " "	李建	李建

Board of Ceremonies

Minister	夏熙	趙敎
Assistant Minister	趙寅	趙寅
2nd " "	李重	李重

Board of War.

Minister	夏信雨
Assistant Minister	趙寧栄
2nd " "	尹栄晃

Board of Punishments

Minister	鎬一熙
Assistant Minister	成夔熙
2nd " "	趙忠熙

Board of Public Work

Minister	金宏集
Assistant Minister	尹定求
2nd " "	金壽鉉

Mayor of Seoul — 洪徹周

Assistant

desk file

Wang

No. 1118. One Enclosure.

Legation of the United States.

Peking, January 19th, 1883.

DEPARTMENT OF S
MAR
26
1883
RECEIVED

John Russell Young to the Secretary of State.

Subject.

Interference with German interests at Amoy.

Synopsis.

Refers to despatches numbers 79. 93. and 97. and covers a report from our Consul at Amoy upon the subject

No. 108. One Enclosure.

Legation of the United States.
Peking, 19th January, 1883.

The Honourable.
Fred.k T. Frelinghuysen.
Secretary of State.

Sir,

In my despatches
Nos. 49, 93 and 94 I reported
the facts concerning the
interference of the Chinese
authorities with certain German
interests in Amoy. This
information came from the
German Legation.

I

I have now the honour
to forward a despatch from
1/108. Mr. Goldsborough our Consul
at Amoy, giving a fuller
history of this most important
incident. Mr. Goldsborough's
narrative substantially confirms
what I have had the honour to
communicate.

The Department will
note that one of the objections
to the German iron foundry,
was the suspicion that Chinese
subjects were interested in it.
It seems to the Legation that
the policy of persecuting
Chinamen, because they chose
to invest money in a foreign
enterprise

enterprise, is cruel and
unfriendly, and that it would
be within the bounds of
becoming diplomatic procedure
to say as much to the cabinet.-
We are now awaiting a reply
from the foreign office to the
joint note of the foreign ministers
in reference to the construction of
the treaty stipulations as to the-
right to manufacture. Opportunity
may serve in the progress of the-
discussion for the Legation to
express its opinion upon this
prosecuting tendency and the-
injury it must do to China in
the good opinion of
civilized nations.

I

I have the honour to be,

Sir,

Your obedient Servant.

Augustus Goldsborough

Enclosure.

1. Mr. Goldsborough to Mr. Young.

134. 30th December, 1882.

No. 134

Enclosure One.
Despatch 108.

Mr. Goldsborough to Mr. Young.

Amoy, 30th Dec., 1882.

Sir,

I have the honour to inform you that upon the 28th instant I received a despatch from F. D. Cheshire, Esquire - Consul General-in-charge at Shanghai, requesting that I would furnish you a report touching alleged interference on the part of the Chinese authorities with German manufacturing interests at this port.

The interests referred to are - doubtless the manufacturing of iron pans which I believe, are the only manufacturing interests here in - which foreigners are interested.

I have sought privately, to obtain the desired information and believe that the following are about the facts.

On or about a year ago -

Messrs.

Messrs. Gerard Bro., (Germans) of this place established a foundry upon their premises for the manufacture of iron pans. The Chinese authorities, on learning of this, addressed the German Consul objecting to said manufactury alleging fears that the Messrs. Gerard Bro., might manufacture arms and sell them to lawless people, and further, that they believed that Chinese subjects were jointly interested in said business.-

In reply, the German Consul assured said authorities that no Chinese were interested in the said manufactory; that no arms would be manufactured and that the foundry would be at all times open for their inspection, insisting at the same time that under Treaty stipulations, there was no valid objection which could

could be offered to said business. Accordingly, the business progressed and the pans were manufactured and exported (paying export duties) until some month ago when the German Consul was notified by the Chinese authorities that under instructions from their superior authorities at Foochow, the export of iron pans was prohibited. -

Messrs. Gerard Bro., I am informed, were instructed by their Consul to continue the business as heretofore.

When, however, they were about making another shipment, having carried the pans in boats to the Customs' jetty with a view to having them examined and passed, they were interfered with and the pans seized by native officials, accompanied by unarmed soldiers and carried to the Lekin office where they were

were held until yesterday morning at half past seven. In the meantime, a correspondence was kept up between the German Consul and the Chinese authorities, the former demanding the release of said pans, together with indemnity for losses (interest &c)

In the interval, two German war vessels, the "Elizabeth" and "Bloech" made their appearance in port, and yesterday morning, at 7.30 o'clock, an armed force of sailors and marines about 300 strong, accompanied by their respective officers and Mr Budler of the German Consulate landed at one of the Lekin stations in Amoy and seized said pans and removed them to the German Consulate.

As the foundry is situated in the Chinese city and apprehending

ing the possibility of a disturbance, 20 men and an officer were placed there as a guard.

I am further credibly informed that the Taotai, some two hours later, notified the German Consul that he had just received instructions from the Superior Authorities at Foochow, to release the pans and allow the business to continue without interruption.

Should anything else of interest turn up I shall find pleasure in submitting the facts to you.

I am, Sir
(Signed) H. Elwell Goldsborough.
Consul.

Extract from
The Amoy Gazette and Shipping Report.

Amoy, Friday, 29th December, 1882.

We learn that an armed force of Sailors and marines of about 300 Strong from N. G. German Frigates "Stosch" and "Elizabeth" landed this morning at one of the Lekin Stations in Amoy and seized the iron pans belonging to Messrs. C. Gerard & Co., detained by the Lekin authorities.

We also notice that the iron foundry of Messrs. C. Gerard & Co., is being guarded by an armed force of about 20 marines and an Officer.

The bund at Amoy is thronged by great numbers of Chinese, which is rather an unusual occurrence.

No. 109 Sec and Treaties
No 136 Pol 7 Ch
Geo V to Mr Young
Mr Spencer

One Enclosure.

Legation of the United States.

Peking, January 23rd, 1883.

DEPARTMENT OF STATE
MAR
26
1883
RECEIVED

John Russell Young to
the Secretary of State.

Subject.

Interference with American interests at Shanghai.

Synopsis.

Mr. Cottmore has presented a claim for damages, in connection with matters reported in despatches numbers 69. 94. and 106.

No. 109. One Enclosure.

Legation of the United States.
Peking, 23rd January, 1883.

The Honorable
Fredk. T. Frelinghuysen.
Secretary of State.

Sir,

As a reference to my despatches, Nos. 69, 94 and 106 I have the honour to enclose a letter received last evening from W. S. Wetmore, Esquire, of Shanghai, informing the Legation that he has made a formal demand upon the Chinese Government - 1/109.

for

for loss and damage to his business, and that he has filed his demand with the Vice Consul General.

Mr. Thrasher has not yet forwarded this document to the Legation. I hasten, however to acquaint the Department with the purpose of Mr. Wetmore, as it promises a new and irritating discussion with the imperial cabinet.

I am disposed to think, as I have intimated in a former despatch(qu) that under all the circumstances Mr. Wetmore has a just cause of grievance. How far his case,

as

as a demand for indemnity, has
been compromised by the Vice
Consul General's unfortunate in-
negotiations with the Viceroy of
Nanking is a question which
can only be answered when we
have the whole record before the -
Legation. Nothing is clearer, -
however, than that if the course
of the Chinese authorities towards
Mr. Wetmore is to become a in-
precedent, it is within the in-
province of any Chinese official
to menace and destroy American
interests, without our having in-
recourse under the treaties.

I await your instructions,
in answer to previous despatches
with

with some anxiety. In the meantime I shall not fail to convey to the Foreign Office -, the painful impression which the treatment of Mr. Wetmore - has made upon the Legation, as to the candour and — friendliness of the Chinese — officials in Shanghai.

I have the honour to be,

Sir,

Your obedient servant.

Jno. Russell Young

Enclosure.

1. Mr. Wetmore to Mr. Young.

Letter Shai, January 6th, 1883.

Despatch 109
Enclosure one

Mr Wetmore to Mr Young.

Shanghai, January 6th 1883

Hon. Jas. Russell Young
United States Minister
Pekin.

Dear Mr Young.

It is some time since I addressed you with reference to the progress of events in connection with the Cotton Yarn Company, but I presume Mr Cheshire has kept you fully informed on the subject.

As you will have learned from him the assumption on which Mr Cheshire acted at the outset in refusing to endorse the warrant of arrest of my comprador, that the charge was a mere pretext, has

has been fully confirmed by the proceedings which took place before the Taotai, when not only were no accusers or witnesses brought forward against the comprador, but no charge whatever was made, and I understand the Taotai himself did not hesitate to pronounce the proceedings an act of great injustice. The blow was not aimed at our comprador but at the Cotton Yarn Company and such terrible intimidation has had the full effect intended. It inspired the native shareholders with such fear that many of them clamored for a return of their money and cancellment of their shares, fearing that if found in their possession they might be dealt with as our

comprador

compradore and the other Chinamen had been, and some of them went so far as to proceed in a body to the house of one of the men who had sold the shares and smashed up his furniture and threatened him with personal violence Under such pressure, but only yielding as actually compelled to, I have been obliged to return nearly all the money subscribed by Chinese shareholders and the company may be considered as broken up. I addressed Mr Cheshire to this effect but have not mentioned it outside, not wishing to let it be known that the intimidation had produced the desired effect. I see however from a leading article in the "North China Daily News" of this morning

which

which I have cut out and enclosed that the event has transpired as it was certain to do sooner or later. On inquiry of the sub-editor of the paper I find the information was obtained from Chinese sources and the Chinese view is given of the situation. Kung and his associates claim victory and plume themselves on their tactics. I think it better that the facts should now be known and that the disastrous effects of such proceedings be fully recognised which will clearly show the necessity for making provision against a repetition of such outrageous practices which if not done will soon lead to similar attempts in other directions. Nothing will in my opinion have the desired effect

unless

unless the Chinese are taught in the clearest manner that they cannot resort to such measures in violation of the treaties with impunity In the present instance by violation of the treaty they have interfered with me and with my servants, they have broken up a perfectly legitimate enterprise, which I had organized, to my great loss and detriment, and I have accordingly made a personal claim for damages through Mr Cushing, which I have no doubt he will communicate in due course to you. As in the first instance, I asked only such countenance and protection in my enterprise as I was entitled to under the treaty, so in

making

making my claim for
damages. I only ask aid
and assistance in securing
such an amount as I
may be fairly entitled to
make, under the circumstances
of the case. I will simply
say now, however, that by
the illegal interference of
the Colonial authorities and
in violation of my clear
rights under the treaty,
what I regarded with great
confidence as a most
important branch of my
future business has been
quite broken up.

Yours very sincerely,
(Signed) W. S. Wetmore.

Despatch. 109
Enclosure one

Extract from North China Daily
News of January 6th 1883

"There appears reason to believe
that the conclusion of the
Tung-tai complication's case
was not altogether of so
satisfactory a nature as it
appeared to be at first
sight. The Viceroy some time
ago sent a despatch to
Mr Cheshire acknowledging
that the man had been
arrested upon a false charge,
and intimating that he
should be released forthwith;
but H.E. added that as a
warrant had been issued for
his apprehension authenticated
by the Viceregal seal, it would
be necessary as a matter of
form

form and order that he should be brought up before the Tartai, who would then sanction his immediate discharge. This programme was carried out and the man was set at liberty; a result which seems on the face of it to imply the defeat of the plot originally laid against him. We fear, however, that the reverse is actually the case. The Chinese say that the Boxer Company, at which the blow fell is really stunned, has succumbed to the difficulties placed in the way of its promoters, and is virtually in a state of dissolution. We are assured that some shareholders, at any rate, have received back the value of their shares, being

being given to understand
that the enterprise is at
an end; and the release of
the commodore, so far from
being a victory for the
company, is regarded by
the Chinese as a sign that
they themselves have gained
their point. Their object was
not so much to injure the
man himself as to kill the
enterprise with which he
was associated; this —
accomplished, there was no
further reason for keeping
him in confinement. The
man Yung, who brought
the charge against him,
is by no means impressed
with the turpitude of his
action. As the country he
blames himself upon having
done a very smart stroke
of business, and we are —

informed

informed that even his
country men, now look upon
him with the admiration
due to an uncommonly
clever fellow. He does not
enjoy the exclusive honor
of his policy, however. There
are others associated with
him who also claim a
share; their names are well
known in official quarters,
and they are men occupying
very respectable posts. We
think it of the highest
importance that the public
should not be misled
in forming their conclusions
on this matter; we are in
a position to warn them
that the success which has
so far attended this attempt
threatens to be followed up
by other manifestations
of the same policy in the
not

not very distant future. It is not the vagaries of individual local officials that we have to dread; it is rather a definite line of conduct laid down for them by high authorities - a distinct course they are expected to follow whenever any opportunity may arise for putting it into play.

Copy to Secy of Navy and Secy of War

Inclosure 3 to dispatch

Irving

No. 11. One Enclosure.

Legation of the United States

Peking, January 23rd, 1883.

DEPARTMENT OF STATE
MAR 26 1883
RECEIVED

John Russell Young to

the Secretary of State.

Subject.

Foreign vessels of war at Tientsin.

Synopsis.

Covers copy of memorandum signed by foreign Representatives upon this subject.

Notes giving Copy to Mr. Chandler Letter 3 March 31 Apr 78 Cipher

No 119 One Enclosure

Legation of the United States

Peking, January 23. 1883.

Honorable F. T. Frelinghuysen,

Secretary of State.

Sir:-

At the suggestion of H. E. the German minister, the question of the constant presence at Tientsin of a naval vessel belonging to one of the Western powers, has been under consideration by the representatives of Germany, England, Russia and the United States. It has been agreed to submit our views

to

to our respective governments
in the form of a joint
memorandum, which is
here enclosed. Mr Bourée, the
French minister has gone
south for the winter, and
it has been forwarded to
him for his approval.

I
have sent a copy to Rear
Admiral Celtz for his
information.

Our Government,
since the Triestine
massacre in 1870, has done
its share, and considering
the paucity of our naval
force in these waters, more
than

1110

than its share, in keeping guard over foreign interests at Tientsin. Any arrangement which will enable us to divide that duty with the squadrons of friendly nations, will therefore be an advantage.

For this reason I was glad to unite with my colleagues in this memorandum. Moreover, during the uncertainty and insecurity now attending all foreign interests in China, it is a wise precaution to have the flag of one of the treaty powers always in the Peiho

Peiho.

I have the honor to be,
Sir.
Your obedient servant.

Thos. Russell Sturgis.

Enclosure.
1 Memorandum

Copy.

The Undersigned Representatives of Germany, The United States, Great Britain and Russia having met to consider the question of the protection to be afforded to Tientsin by the presence there of foreign gun-vessels have agreed upon the following points:

1. That it is very desirable that during the open season Tientsin should be from time to time visited by foreign men of war and that during the closed season from the beginning of December to the beginning of March two foreign men of war should be regularly stationed there;

2. That in order to avoid that the necessity of making these visits or prolonged stays at Tientsin by gun-vessels should fall too heavily upon one or the other

nation,

nation, the end in view being — general measures for the protection of all foreigners living there, the Undersigned will forward a copy of this protocol to their respective Governments requesting them, if they approve of the measures — proposed to issue instructions in the same sense to the officers — commanding the different squadrons;

3. That they will, if they think it advisable, forward a copy of this protocol to their officers commanding the respective squadrons — in the China sea and request them to come to a mutual — understanding on the measures referred to in § 1.

The Representative of France not being at Peking Mr. von Brandt is requested to forward a copy of this protocol to him and to invite — him to join in the steps proposed, if approved by him.

(Signed)

(Signed.) M. von Brandt.

(") John Russell Young.

(") T. G. Grosvenor.

(") C. Walber.

No. 11. Inclosed to Mr. Adee's letter of March 30, 83. Copy to Mr. Hall's letter No. 19 Cust. March 30 83 Cust. Dr.

Mig

One Enclosure.

Legation of the United States.

Peking, January 25th, 1883.

DEPARTMENT OF STATE
MAR 26 1883
RECEIVED

John Russell Young Esq. to
the Secretary of State.

Subject.

Relations of China to Siam.

Synopsis.

Refers to despatches numbers 50. and 86. and forwards a further memorandum by Mr. Holcombe upon the subject.

No. 111. Enclosure

Legation of the United States.
Peking. 25th January, 1883.

The Honourable
Fredk. T. Frelinghuysen.
Secretary of State.

Sir,.

In my despatches Nos. 50 and 86 I referred to the rumour that the Chinese Government had sent an Embassy to Siam to request the king of that country to become again a tribute paying vassal of the empire. The interest attaching-

to

No. 111. Enclosure

Legation of the United States.
Peking. 25th January, 1883.

The Honorable
Fredk. T. Frelinghuysen.
Secretary of State.

Sir,.

In my despatches Nos. 50 and 86 I referred to the rumour that the Chinese Government had sent an Embassy to Siam to request the king of that country to become again a tribute paying vassal of the empire. The interest attaching-

to

to the rumour arose from the discussions in reference to the sovereign of Corea and his relations to China. I informed you in my first despatch that the foreign office denied in the most emphatic manner that China had any intention of asking Siam to renew her allegiance. In my second despatch No. 86. I reported a conversation with the Japanese minister on the subject showing that the rumour had excited some anxiety in the minds of the cabinet at Tokio.

I also informed you that while the foreign office denied

denied the story with emphasis, in the opinion of some of my colleagues, there was still some foundation for it, and that — China did mean to claim her — imperial rights over Siam. They believed the fact to be that — while the foreign office had not — made any overtures to Siam, — such overtures had been indirectly made by the Viceroy of Canton, one of the great officials of the — empire.

I have now the honour to enclose the memorandum of 1/111.
a conversation between Mr. Holcombe and the Grand Secretary Li Hung Chang, which took place at Tientsin

the

the other day. In this conversation the Grand Secretary admits that China has through the Viceroy of Canton asked the King of Siam to renew his tribute to the Emperor and allow a resumption of suzerain rights.

I have sent a copy of this memorandum to Mr. Halderman, my colleague in Siam for his information.

I do not anticipate that the question will ever take a practical shape, as it has in Corea for instance. The Chinese have some interest in Corea because of its military and strategic position. They have only a sentiment about Siam, a desire to renew an old

and

and never more than a formal relation of suzerainity. The Emperor would like the King of Siam to pay him tribute. So for that matter, as the Heaven sent Sovereign of all nations, he would accept tribute from every ruler on the globe, and regard it as a becoming and dutiful expression of loyalty. To the United States the incident has no special interest, except as a curious phase in the politics and diplomacy of Asia.

Neither France nor England will favour Chinese sovereignty over Siam. France because of her interests in Saigon, and England because of the proximity

of

of Siam to Burmah.- Japan, on account of Loo-choo, and - Corea is especially sensitive upon the question of Chinese imperial - sovereignty, and will only see in this demand upon Siam another evidence of Chinese "insincerity and ambition."

I have the honour to be,

Sir,

Your obedient servant.

Thos. Cumberbatch.

Enclosure.

1. Memorandum.

Despatch 111
Enclosure.

Memorandum.

At an interview had with H. E. Si upon the 20th instant, Mr Holcombe asked, in the course of general conversation, whether Siam did not formerly pay tribute to China and in other ways acknowledge the suzerainty of the latter.

H. E. replied that Siam had always paid tribute to China until during the Taiping Rebellion. At that time, as the tribute embassy was always sent overland, and as the rebels held the central portion of the Empire, it was found impossible to transport it in safety to Peking. Hence the practice was discontinued and had never been revived.

Mr Holcombe stated that a rumor had

had been in circulation that the Viceroy at Canton had opened a correspondence with the King of Siam looking to a revival of this relationship, and asked whether the rumor was well founded.

H. E. responded that the Canton Viceroy had opened such a correspondence, but that as yet he did not know with what result.

(signed) Chester Holcombe.

Tientsin, January 22nd 1883

Confidential

No. 112.

DEPARTMENT OF STATE
MAR 26 1883
RECEIVED

Legation of the United States.
Peking, January 28th, 1883.

John Russell Young to the Secretary of State.

Subject.

Ratification of our Treaty with Corea.

Synopsis.

Reports a conversation with Japanese Minister upon this subject.

No. 112.

Confidential.

Legation of the United States.

Peking, 28th January, 1883.

The Honourable

Fredk. T. Frelinghuysen

Secretary of State.

Sir,

Admiral Enomoto the Japanese envoy called at the Legation yesterday and read me a telegraphic message from Mr. Inouye the Japanese minister for foreign affairs. Mr. Inouye informed the admiral that the American government having ratified

ratified the Convention with Corea, would soon exchange ratifications. This action of our government he thought would strengthen the independence of Corea. Mr. Inouye hoped that whoever went as Commissioner from the United States would use his best efforts "to induce "the King to withdraw his letter "to the President or do something "to the same effect." He further said that "ratification necessitates "the conclusion of trade ——— "regulations between the United "States and Corea in which the "United States desired and "ought to obtain the same ——— "privileges

privileges as China has secured by her recent treaty. Japan will demand the same".

I said to the admiral that I had no official news of the ratification, and no instruction from the Department as to what we should do in the way of establishing commercial regulations with Corea. As to the withdrawal of the letter of the King of Corea to the President, that was a matter entirely within the prerogatives of the executive. I did not see how I could make a suggestion on the subject. I, however, did not lay much stress upon the letter. The important point was the establishment

establishment of wholesome trade regulations, the benefits of which Japan would share with the rest of the treaty powers.

The admiral replied that the letter of the King, was a confession of dependence upon the Emperor of China. This confession was confirmed in the treaty recently signed between the Corean envoys and Li Hung Chang.- The- President, could not in his — opinion treat as an equal, a ruler who admitted his tributary — relations to another ruler.

I answered that none of these suggestions had escaped the attention of the Legation and would

I

I had no doubt be duly considered in Washington. I agreed with Mr. Inouye as to the ratification of the treaty strengthening the independence of Corea. At the same time I did not think that the question had ever been seriously in doubt. England, Germany and the United States had treated with Corea as an autonomous and independent country.

The admiral said that Japan had done the same, and in her treaty with Corea there was an express declaration of independence by the Corean King. The first article was in these words:- "Chosen being an independent

"independent state enjoys the same
"sovereign rights as does Japan."

In reference to the commercial
privileges granted to China in the
treaty with Li I said to the
admiral, that I thought the favored
nation clause would give us the
same. Our main concern with
Corea was to secure a good
commercial system. The treaty
had brought Corea within the
range of diplomacy. The treaty-
powers could now assist the
sovereign in his advances towards
Western civilization, and I trusted
they would be as fortunate in
that work as they had been with
Japan.

The

The admiral said that Japan wished to act with the United States in dealing with Corea.

I expressed my satisfaction and said I would be happy to repeat the fact to the Department. I believed that it would be an advantage in every way to Japan more than any other country if she fell into line with Germany, England and the United States in the matter of the convention. As to the King of Corea withdrawing his letter, I could not speak without the authority of the Department. I again urged upon the minister that the real question was the establishment

J

of commercial relations. We should expect from the King guarantees that he will observe the convention, and these assured, the commercial future of foreigners in Corea would depend upon the energy and enterprise of foreigners themselves.

The Department will not fail to note in this conversation with Admiral Enomotto, another indication of the desire of the Japanese to act in harmony with the United States in dealing with Corea. The confidence, thus bestowed, is not unattended with embarrassments, and the

the Legation has taken pains not to go beyond the limits of prudence and reserve. I have been especially anxious not to become entangled in any of the complications between China and Japan. The relations between these two countries are so strained that any influence we may exert in favour of peace will be a blessing to both nations. We are so placed that our advice will be the first to be sought.

As I said to Mr Enomoto, the Legation does not attach much consequence to the letter of the King of Corea. There would

would be no end of trouble if we ventured into the atmosphere of romance and hyperbole which surrounds these Oriental claims to sovereignty. The letter of the Corean sovereign was simply a concession to the pride of the Chinese Emperor. In making this concession however the pride of Japan was wounded. I should be sorry to see any sentiment of this kind on the part of Japan lead her into a policy, that would deprive her of the real advantages that must accrue to her commerce under the Corean convention. A large part of the trade must go to Japan, and it would be

wisdom

wisdom for her rulers not to vex themselves about sentimental relations between the majesty of Corea and the majesty of China, but to see that we have a sound system of commercial regulations. The claim of Mr. Denny that Japan should have as good a commercial understanding with Corea, as has been granted to China in the recent Tientsin convention is just. Nor do I see how this can be denied to any of the treaty powers under the favoured nation clause.

It would be well, I think if the Japanese made a new treaty with Corea upon the lines of the convention ratified by the Senate.

The

The present treaties between —
Japan and Corea have never been
an advantage to either power..
The practical effort of the recent
conventions with Germany, —
England and the United States
will be to render those between
Corea and Japan inoperative —
and obsolete. If Japan could be
induced to remodel her relations
with Corea, so as to make them —
harmonize with those which the —
United States has established it
would strengthen her position, —
and contribute to the maintenance
of peace. That however is a question
for the Department to consider,
and its discussion belongs —

more

more particularly to Tokio than to Peking.

I have the honour to be,

Sir,

Your obedient servant

Jno. Russell Young

Ad by no 6
File

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No. 113. One Enclosure

Legation of the United States.

Peking, January 28th, 1883.

DEPARTMENT OF STATE
MAR 26 1883
RECEIVED

John Russell Young to the Secretary of State.

Subject.

Japanese treaty with Corea.

Synopsis

Forwards a copy of the treaty of August 1882. as furnished by the Japanese Minister.

No. 113 One Enclosure

Legation of the United States
Peking, January 28th 1883

Hon. F. T. Frelinghuysen.
Secretary of State.

Sir:-

The Japanese envoy sends to this Legation an official copy of the additional convention, signed in August last, between Japan and Corea, which I enclose. 1/113

The Department has received this treaty from other sources. It is possible, however,

however, that a Japanese version of its provisions may have some interest, or value, in the archives of the Department.

I have the honor to be,
Sir,
Your obedient servant.

Jno. Russell Young.

Enclosure.
1. Admiral Enomoto to Mr Young. Additional Convention between Japan and Corea.

Translation

Despatch 113
Enclosure one

The Additional Convention.

For the purpose of promoting mutual friendship and facilitating commerce between the Empire of Japan and the Kingdom of Corea in future, the following additional convention consisting of two articles has been agreed upon:

I.

At each of the ports of Gensan, Fusan and Jinsen, the treaty limits, shall henceforth be extended to fifty Ri (Korean measure) in all directions; and from and after the expiration of two years (to be counted from the date of the ratification of this convention) they shall be further extended to one hundred

Ri

5. At the end of one year from the date of this convention, the port of Gotsuchin shall be opened for trade.

II.

His Imperial Majesty's Minister, Consuls, their suite and families shall be free to travel to any and all places in the interior of Corea. For this purpose the Resident shall issue passports, naming the localities to be visited, and the local authorities, upon examination of the same, shall furnish escort to the holders of such passports.

The foregoing Additional Articles have been agreed upon and sealed by the plenipotentiaries of the two countries

countries, each under instructions from his sovereign; and the same, after having been duly ratified by their respective Sovereigns, shall be exchanged in Tokio, Japan within two months, that is to say on or before the 2nd of the 10th month of the 15th year Meiji and the 9th month of the 491st year from the foundation of Corea.

Done at Saibutsuko, this 30th day of the 8th month of the 15th year Meiji, and the 17th day of the 491st year from the foundation of Corea.

(L.S.) Hanabusa Yoshimoto,
Minister Resident of Japan.

" Reigyen,
High Commissioner of Corea.

" Kimyoshin,
Vice High Commissioner of Corea

Despatch 113
Enclosure one.

Admiral Enomoto to Mr Young.

My dear Mr Young.

I transmit to you herewith a translation of the additional convention between Japan and Corea, concluded in August 1883.

I am requested by the Foreign Office to tell you that this copy was intended as the enclosure in Mr Inouye's letter addressed to you on the 7th instant. but it was delayed sometime by the oversight of his secretary.

Very faithfully yours
(signed) Enomoto Takeaki

Peking, Jan 27. 1883.

Ack by wt
file

No. 114.

Legation of the United States
Peking, January 29th, 1883.

DEPARTMENT OF STATE
MAR 26 1883
RECEIVED

John Russell Young to
the Secretary of State.

Subject.

New Years call of Chinese
officials.

Synopsis.

Call made as usual. The
interview interesting and
cordial. Illness of Prince
Kung.

No. 114.

Legation of the United States.

Peking, 29th. January, 1883.

The Honorable

Fred.k T. Frelinghuysen.

Secretary of State.

Sir,

A few days ago the ministers of the Yamen, and the high civil and military officials of Peking to the number of twenty nine made their annual New Year's call of congratulation upon the various foreign representatives. I had the honour of receiving them at the American Legation. Prince

Kung

Kung sent his card, but could not come in person on account of his illness. I expressed to the ministers my great regret at the continued indisposition of His Imperial Highness, and returned an expression of my best wishes and sympathy. The visit of the ministers was exceedingly pleasant, and marked with every evidence of friendliness and good will.

The Chinese New Year falls in February. The foreign legations will then formally return the call of the Chinese officials.

There are many rumours as to the illness of Prince Kung, but

but, it is only definitely known that he has a severe chronic trouble which has afflicted him for some months. When I saw His Imperial Highness in August he seemed in perfect health. The withdrawal of His Imperial Highness from public affairs, even for a brief season is felt by all who have business with the cabinet. The Prince and the Grand Secretary Li are looked upon as the leaders of the party of progress in China, and it is surmised that the recent growth of reactionary tendencies, comes from the illness and retirement of the one and the waning influence of the other. I have no idea of

the

the value to be given to these speculations. Ever since the capture of Peking and the burning of the summer palace, Prince Kung has been at the head of foreign affairs. He at least is the official of the highest rank with whom the ministers have had business relations. In the event of his permanent withdrawal, there is reason to believe that the Grand Secretary Li Hung Chang would come to Peking and take his place.

Peking is full of rumours as to political troubles, intrigues and complications in the palace. Every now and then we have intimations

intimations that "something
important will soon take place."
The minority of the Emperor, and
the illness of Prince Kung the
ablest and most eminent prince
in the imperial family, will
account for much of the gossip
and anxiety. There is no
government more in need of a
strong man at its head than
the government of China. The
absence of a ruling spirit is seen
every day in official exhibitions
of weakness, hesitancy and
procrastination.

I have the honour to be,

Sir,

Your obedient servant,

Jno. Russell Young.

PRINTED FOR FOREIGN RELATIONS 1883

W. King

Accts. & copies of 47 Cong. Treaty file 2473 47 Cong. 2 Sess. April 28 1882 enclosures

No. 115. Three Enclosures.

Legation of the United States.

Peking, January 29th, 1883.

DEPARTMENT OF STATE MAR 26 1883 RECEIVED

John Russell Young to the Secretary of State.

Subject.

The opium question.

Synopsis.

Covers copies of several interesting papers upon this subject. Anxiety of the Chinese regarding it.

No. 115. Three Enclosures.

Legation of the United States.

Peking, 29th January, 1883.

The Honourable

Fredk. T. Frelinghuysen.

Secretary of State.

Sir,

As a further reference to the subject of my despatch No. 314 I have the honour to enclose you a copy of a letter addressed to the Legation, by the Reverend Dr. Happer, an American missionary long resident in Canton, discussing with clearness and ability many phases of the opium question

1/115.

question. I commend the
views of Dr. Happer to the
Department as a part of the
history of this agitation. I enclose,
also, several extracts from
recent Indian newspapers
giving some arguments on the
other side arguments in favour
of the Opium trade, as held by the
official Indian class.

2/715.

While the Opium trade does
not materially concern the United
States we cannot look without interest
and sympathy upon the movement
to suppress it. This movement
received a marked impulse from
the anti-Opium clause in our
recent convention with China.

I

I never see the Viceroy Li, without his bringing up the question, I always say to the Viceroy, and others who refer to the opium trade, that everything is to be expected from the humanity, justice and magnanimity of a Christian people, like the people of England. When they come to realize the scope and volume of the degradation imposed upon China by the use of opium, they will suppress it, even if the Indian revenue were twenty times as large. In my latest conversation with the Viceroy I recalled the agitation against slavery in the West Indies, and the victory which came to a good cause, after so many years of earnest and disheartening

disheartening effort on the part of Wilberforce and his allies. — Powerful, also, as the opium — interest appeared to be now it — was not as strong as slavery in my own country, twenty five years ago. Public opinion in the end destroyed slavery. Public opinion would destroy Opium. It only remained for China to keep her cause steadily before the world, and for the rulers to show the — sincerity of their protests by — suppressing the growth of the — poppy, and throwing every — possible municipal restriction — round the Opium shops.

The calamity to be —

feared

feared, is that the opium habit
will take so strong a hold of China
that any successful effort to suppress
it would be beyond even the power
of the emperor. A recent publication
on the fascination and distressing
influence of opium by Dr Dudgeon
of this city, which forms an
enclosure gives a painful
illustration of this danger.

The suggestion of Dr
Happer that a special embassy
should be sent from China to
England, to negotiate, or I might
say, intercede as to opium, is,
I am informed under
consideration by the cabinet.

I have the honour to be,

Sir.

3/115

Sir,

Your obedient Servant,

[redacted]

Enclosures.

1. Rev.d D. Napier to Mr. Young.
   October, 24th, 1883.
2. Newspaper Extracts from
   Indian Papers.-
3. Dr. Dudgeon's "fascinating and
   distressing influence of Opium".

Mr. Harper to Mr. Young.

Canton, Oct. 24th 1882.

My dear Mr. Young,

Your favour of the 8th inst. reached me yesterday and I am much obliged to you for your kind intimation that any suggestions or observations will be carefully considered. In the study of the many questions that come before you for consideration you will meet them now in the middle position or transitory stage when the antecedent discussion are not present to you.- The important question of the Opium trade is now in that position. It is now in a transitional phaze. Up till within a very few years ago it was accepted by all writers on the subject that the use of opium

is

in the form of laudanum – or solid – or as morphine, or as – smoking was only injurious, and only injurious – In this view, the old East India Company – which did so much to introduce the consumption of opium into China, concurred, as expressed by some of their ablest superintendents of trade at Canton and – Calcutta in the days of the Company 45 and 50 years ago. In this – opinion the British Parliament by a formal resolution introduced in 1842 by the then Lord Ashley now the venerable Lord Shaftesbury, in which the Opium trade was – spoken of in somewhat the same style of reprobation as the slave – trade was spoken of. so by all – successive writers and speakers. – But as after the commencement of the abolition discussion arose in United States America. some

40 years there arose a party in the South who spoke of slavery as good in itself and the corner-stone of liberty for the white masters. - There has arisen in the last-days a class of writers, who write of the use of opium as a harmless luxury and some even as a wholesome tonic and preservative against Malaria. This arises because of $40,000,000 of revenue which India derives from the monopoly of the growth in its own territory and the transit dues which it levies on that which has to pass through its territory to a seaport for shipment to China - all the Opium grown in Indian territory is grown for the Indian Government who has the entire monopoly of its sale - paying the cultivators less actually for growing it than they would realize by the growth of other

other crops - the government in realizing the whole of the profits - On that grown by native States of Malwa which have no seaport in the Indian Government levies a transit duty of more than $300.- a chest. The Government of India levies just as much as the commodity will bear and not stop its growth. It having been represented that the amount levied for several late years was stopping its growth - it has lowered the amount from 650 - Rupees a chest to 600 Rupees - and yet the same Government who exacts such an enormous transit revenue refuses to allow China to levy transit duty on this same commodity into different parts of China but it should operate by the enhanced cost of it to the consumer in the sale of the present quantity

of

of the drug.

There are some points in the discussion as now conducted that need your careful consideration in order to help the Chinese Government in their fight with the English. Sir Thomas Wade for a quid pro quo agreed in the State Paper called "the Chefoo Convention" to permit the Chinese to levy transit duty ad libitum called here "lekin tax". The English have been in possession of what they obtained but have to this time not given the Chinese what was promised in that convention. Last year Sir Thomas Wade was in conference with A. E. Li Hung Chang for months - in this matter of opium. A.E. Li wishing to levy an imprest of 150 taels per chest - Sir Thomas only consenting to 90 or 100. Sir Thomas was called home to give information to the home government in this point

mainly

mainly.

2. The Chinese Government failing to effect any cessation of its import from India is trying a most dangerous and ineffectual plan - viz:- permitting the native growth in hopes thereby to supplant the Indian grown drug. This fails - the Indian drug continues to come in the same quantity and to be sold at the same prices whilst all the native growth is consumed - Alas! - How! - by the multiplication of new victims in the ports where the native drug is grown. It does not take the place of the Indian drug to exclude it and drive it out of the market. Sir Robert Hart in the preface to the Customs pamphlet on Opium estimated the native growth at 100,000 chests the same as the imported quantity. Mr. Donald Spence of the English Consular Service at Ichang presents facts showing the growth of Opium in the West

provinces

provinces to be 224,000 Chests.—
Sir Robert Hart, fixed upon 3 mace
a day as the average daily consump-
tion of smokers and thus arrived
that it would require 2,000,000 of
smokers in China. In a paper
on "number of Opium smokers in
China" I challenged the daily average
of 3 mace as too large and argued
for 1 mace. In this estimate Dr. Dudgeon
has concurred as also Mr. Spence—
I argued that the facts of the case
as presented by travellers and
others would lead to the inference
that the number was at least from
10 to 12 millions. On the estimate
of 100,000 chests of native growth
there was drug enough to supply that
number of smokers but the amount of
native drug as reported by Mr. Spence
supplies more than sufficient drug
for that number, and the number of
smokers now cannot be much short
of 15,000,000.—

III.

III. It is known to you that China has inserted a clause in the treaty with the United States forbidding United States citizens to engage in this trade. A similar clause has been introduced into the treaty with Russia and also with Brazil. The Chinese Government evidently wished in this way to bring public opinion to bear upon England. But England, it would appear, now seeks to turn things to account to insure to India the export of the drug to China and thereby the large revenue that she has from that source. To do this the English Government has to insecure the entrance of this drug into China and to quiet the agitation that is now going on in England in regard to the morality of the Opium trade as now conducted. As to China she refuses to permit China to weight this drug by levying a larger duty on it either as import

duty

duty or lekin tax - thus curtailing China's right as a Sovereign Power in her own territory. In England there is a combined effort to misrepresent the evils of the use of opium, and also to misrepresent England's responsibility for the introduction of the vice into China and forcing the trade upon this country. A strong point which the English will now urge at home is that the quantity imported is small as compared with that which is grown & and thereforth the stopping of the import would not arrest the consumption of opium but would only stimulate the Chinese to a more extensive growth to supply the deficiency occasioned by the withdrawal of the Indian drug - therefore it would be folly to throw away that 40,000,000 of revenue from the growth of opium in India and the transit

duty

duly received in the Malwa grown drug.. To effect this quieting in India England, the British Government are directing great efforts. Note three facts (a) Sir Thomas Wade has been called home to give information (b) Mr. Baber who has spent some four years in West China collecting facts &c on native growth on his way to England visited the Governor General of India at Simla. I have no doubt with the object to put the Indian Government in possession of all the facts about native growth - (c) When Sir Thomas went home he recalled Mr. Spence who has been in West China since Mr. Baber left. from his station at once and took him home with him to England - though Mr. Spence told some of his colleagues in the service he was recalled from West China to go to some other port. Putting these three things together I think a strong effort is

to

to be made to quiet this Opium agitation in England as entirely uncalled for as the Indian grown drug is so small as compared with that grown in China.

4th. I know full well that the Chinese Government have stated again and again that they only permit the growth of opium temporarily in order to stop the import from India, and I believe that so far as H. E. Li Hung Chang is concerned it has been done in sincerity for that view. But H. E. needs to be shown that it has entirely or nearly entirely failed to effect anything in that way and that it is affecting two most serious results — 1st It is causing many of China's friends to doubt his own sincerity in his expressed desire to stop the Opium trade, and it affords the defenders of English complicity - in the evils the apparently just grounds to say that

his

his great desire to stop the Indian import is that the Chinese Government may derive the whole profit from the native grown opium. This conviction if allowed to spread will quiet the agitation in England and settle the evils of the Indian import "in permanence". The 2nd evil of this permitting the native growth is that it is getting so rooted in the country and raising up such a vast army of opium smokers in all the provinces that the Government will be no longer able to arrest its growth even if it would try. The high officials need to have their minds awakened to this matter. This enormous production of the native drug has nearly all come to pass within the last 15 years,- Since the Government entered upon this disastrous counter fire which now threatens to destroy them. The American Government

having

having entered into treaty agreeing to forbid its citizens to engage in the import or selling of Opium has a right to remonstrate against such an increase of a trade from which its citizens are excluded by treaty. The U. S. Government only acceding to such a stipulation on the implied understanding that China was desirous to stop the trade both external and internal entirely. But instead of taking any effective measures to stop the native growth it is thus increasing enormously yearly with the knowledge of the Chinese Government - and of course with its consent.

The Chinese have tried various means to get control of the foreign drug. Last year it was proposed to form a syndicate with 20 millions of dollars capital which would take the whole of the Indian grown drug and pay the Chinese Government 150 taels duty, and thus have the

monopoly

monopoly of the sale of it and the company relieve the Chinese — Government of all responsibility to prevent smuggling As the whole amount was in the company's hands it must secure its own employees — This was with the purpose and condition that 10,000 fewer chests should be — supplied each year and thus in 10 — years the whole import should cease Sir Thomas refused to agree, and so it fell through. According to Customs 10,000 more chests arrive at HongKong yearly than are exported from it — or are bought by the HongKong farmer of this article in the colony This gives rise to the belief that 10,000 chests are — smuggled into China from HongKong every year. The steamers that come up to Canton from HongKong to Canton daily bring smuggled opium. It is — bought by the employees of the steamers as — the Chinese stokers - firemen, — sailors &c. and European officers of —

the

the steamers as mates, &c. &c. Some officers of these boats have remitted home more than the whole amount of their salaries though expending handsomely besides.

I have in various ways presented to the Chinese Government that it can only get rid of the Opium trade by sending a special embassy to England to represent the evils which China suffers from the Opium trade. As U.S.A. sent a special embassy to China to represent the evils it suffered from Coolie emigration. And authorize this embassy to enter into a convention or mutual stipulation that while England diminishes the amount of Opium produced in India for the Chinese market year by year say 10 or 15 or 20 thousand chests - China should stop the native growth instanter and give England the right to examine as to the fulfilment of this stipulation by China.

I hold that if such an Embassy

was

was sent to England for such a purpose the moral sentiment of the world would be so expressed in the newspapers and other ways of expressing public opinion as virtually to force England to accede and agree to such a proposal. But China is so inexperienced in the ways of western diplomacy that she shrinks from proposing such a thing lest she should fail and thus experience a humiliation before the eyes of many people. But in the present state of the general conscience on this subject at this time - such an embassy would be in no danger of failing in effecting such a convention between the two nations. If you will give yourself to the encouragement of the Chinese Government towards such a course and secure the appointment of such an Embassy you will crown your time as minister to China with an imperishable crown

and

and confer upon China an untold measure of blessing and prosperity. If China should take such action I would use my efforts to induce a large number of the missionaries to write up the subject and the benefit of such a convention to China - morally, socially, commercially and pecuniarly in England, U.S.A. and Germany. Russia and Brazil as well as U.S.A. would be bound by their treaty with China to express their sentiments at the court of London favourably to such a convention - all Nations are interested in it commercially because now China expends the whole of the value of the Tea and Silk she exports in paying for the imported Opium from India and hence has little money to pay for other kinds of imports. But there is every reason to believe

believe that if she could save the money now expended on Indian Opium she would purchase to that amount at least of other kinds of imports.

I trust you will excuse this long letter. The great importance of the subject and the variety of points to be referred to are my excuses for writing so much.

* * * *

Yours very truly,

(Signed) A. P. Happer.

Opium and the Indian Revenue, from an Indian newspaper.

"Would the extinction of
"£5,000,000 Indian Revenue
"this very day involve either
"national insolvency or the
"imposition of new taxation
"amounting to cruelty?"
This is the question which
the Anti-Opium Association
has addressed to Major Baring
in reply to his Budget speech.
Of course, the Association
answers the one question
in the negative, and it
quotes, in support of its
view, the authority of the
brothers Strachey:—

"It would
"undoubtedly be possible to
"increase largely the income
of

"of the State without serious
"injury to the industry of
"the country, and without
"political danger, in the
"event of any great financial
"emergency; such for instance
"as might conceivably, though
"not improbably, arise if
"we were suddenly to lose
"the greater part of our
"opium revenue, or if the
"difficulties caused by the
"fall in the value of silver
"in relation to gold should
"attain to very alarming
"dimensions"

Before going further we would state the figures of the problem with more exactness. The net opium revenue for 1878-79 was Rs 77,00,06,710, or say 6½ millions sterling, and though the Anti Opium Association

Association, to suit their own purposes, desire to show the revenue as low as possible, and give therefore only the figures for Bengal, yet they do not dare want us to suppress the export from India altogether. This would explain not only the loss of the whole net revenue above stated, but a very large outlay in prevention of export, and in compensation to the Malwa States. Let us, however, state the loss with which India is threatened by the great Anti Opium movement at home - which will we fear eventually succeed, unless the Indian Government encounters it much more vigorously than at present - at £10,000,000 net It will then be but common prudence to consider beforehand how

how such a loss can be met,
whether it befalls us suddenly
at the hands of the Imperial
Parliament, or whether it
comes upon us gradually
from the action of the Chinese.
The probability is that both
causes will act together. We
may expect that under
popular pressure, the Home
Government will abolish the
Bengal monopoly, and
will encourage the Chinese
Government to raise the
tariff duty on opium, and
to levy the taxes, or local
transit thereon, under the
provisions of the Chefoo
Convention. Also that the
Chinese Government thus
assured of British sympathy
will gladly adopt this means
of obtaining an enhanced
customs revenue, and will

at

at the same time, vigorously push on the domestic cultivation to which of course, the enhanced price of the foreign drug will give a natural impulse. Thus it appears to me reclaim that, in no long period of time, the Indian revenues must suffer a loss in the substitution of a duty for the Bengal monopoly. The amount realized by China on the opium imports under the present tariff rate is about two millions sterling. Enhancement of the tariff duty, and imposition of higher will probably more than double this; and as most of what is gained to the Chinese Government will probably be lost to that

of

of India, we arrive at the loss stated under the Chefoo convention. Again the Bengal production, on an average of 20 years past, has been 30000 Chests, which by a duty of Rs. 600 per chest, would yield only 3 crores. Thus the loss in this measure (allowing for that already reckoned under the Chefoo convention, which would affect the present income under the monopoly) would be about 1½ crores of rupees. It is thus a very safe and sober calculation to estimate the probable diminution of the Indian revenues in the matter of opium, under the combined action of the Home and Chinese Governments at 3,000,000 sterling. From what source is this sum to be made good?

The

The brothers Shackery have suggested the following possible sources of increased revenue:-

Income and Licence taxes	£. 1,500,000
Registration	500,000
Tobacco tax £. 3,000,000 to	4,000,000
Sugar	1,000,000
Railway traffic.	500,000

Of these however the principal ones (tobacco and sugar) are condemned by them "as "impracticable, except under "the pressure of some financial "catastrophe so great that it "would justify almost any "expedient." The licence tax already yields 86 lakhs net, and an income tax yielding 1½ crores additional is hardly conceivable. A tax on railway traffic would practically come out of the railway returns, which depend upon the cheapening

cheapening of traffic rates, so nothing would really be gained by that. The supposed 1½ million from registration is purely speculative and may be dismissed from consideration. Where then are the 3 millions sterling to be made up with the loss of which the Indian revenue is threatened? We have answered the question many times before: it is in the pockets of the Bengal Zemindars. The admitted rental of the Bengal Zemindars is 18,000,000 Sterling but as estimated by Sir George Campbell when Lieutenant Governor of Bengal it was "probably more than 20,000,000 Sterling." Now in 1793 when Lord Cornwallis took the tax collectors or

publicans

of the day and created them proprietors, each in his own circle of collection, their aggregate income or share of the Government revenue retained by them in payment for collection, must have been far below ½ a million. Mr Justice Cunningham in his "British India and its Rulers" says:- "The "revenue in 1793 was about "3,000,000 and as the zemindars "share was fixed at a tenth "of the revenue (so fixed "from the time of the Moguls) "it cannot have been more "than between £300,000 and "£400,000." No wonder then that Sir George Campbell said of these Bengal landholders that "we have created in their favor "an enormous property which "never existed before..... a

property

"property utterly worthless to
"any native Government" or
indeed to our own English
system either. And what have
we had for it? Nothing.
Mr O'Kinealy in his note on
Enhancement, attached to the
report of the Bengal Rent
Law Commission computes
that these "descendants of
"Calcutta money dealers or of
"native officials," who as Mill
says "live as useless drones
"on the soil which has been
"given up to them" "extract
"from the ryots a sum which
"if capitalized" represents
"165,000,000 sterling taken out
"of the pockets of the poor
"and put in the pockets of
"the rich (Cunningham's British
"India p. 302) and do nothing
"for them or the country in
"return." No wonder then that

Mill

Mill says "Whatever the
Government has given up
"of its pecuniary claims
"for the creation of such a
"class has at the best been
"wasted."

Though the admitted
rental of the Bengal zemindars
is stated at 13 millions, Mr
Cunningham considers that
the amount really taken by
them from the ryots is at least
double that figure. Adding
expenses, illegal exactions,
the expenses of litigation, and
a share of the expenditure on
police, the total payments
he considers, does not fall short
of 25 or 30 millions sterling;
and he speaks practically, with
the authority of the Famine
Commission. This estimate
tallies with Sir George Campbell's,
and would show that Bengal

ought

ought, at the present rates of
Ulster provinces, to yield to the
Imperial Treasury 8 or 9 millions
more of land revenue than it
does now under the permanent
settlement. And what have we
in return for the surrender
of this vast sum? Mr Cunningham
tells us we have "the creation
"of a body of landlords who are
"described as not particularly
"prosperous, and of whom their
"warmest advocates can
"scarcely venture to affirm that
"they perform any one of the
"public duties which attach to
"the corresponding class in
"England, and of an corresponding
"class of tenants whose
"unsatisfactory condition
"forces itself with increasing
"vehemence year by year on
"the public attention" Not only
is this so, but there has been

another

another remarkable result.
Bengal has nearly 1/3 of the
population of British India
and in wealth and prosperity
at present very much more
than 1/3 of the Empire. But
evidently with a land revenue
fixed on a scale of 90 years
ago, it cannot and does not
bear 1/3 of the public burdens
though it appears to do so,
because most of the revenue
of opium and customs is
credited in Bengal. So far
however really from bearing its
share of the general burden."
"The richest Province in India
"has been to a large extent
"defended, administered, educated,
"supplied with roads, harbours,
"hospitals, railways and canals
"and relieved in the famine
"at the expense of the rest of
"the community. Cycles have
"
been

"few boiling in Madras and
"starving in the Deccan, in
"order that gentlemen like the
"Rajahs of Durbhunga and
"Burdwan may enjoy incomes
"of several hundred thousand
"pounds a year free from the
"rude contact of the tax —
"collectors hand."

Of course it is
quite out of the question the
the whole forty millions of
short payment due from the
Zemindars of Bengal can
ever be entirely made good in
future any more than it can
be recovered for the past, but
nevertheless a portion may.
There is no other reasonable
proposition for making good
a loss of opium revenue, and
such a loss can and must
therefore be met by a revision
of the permanent settlement.

The

The power legislature declares that settlement liable to revision the earlier will it be possible to begin recouping ourselves losses thereby. It must be a very slow process. A long date will have to be given from the time of the act before reassessment shall be lawful, and after that date, when reassessment may require to be made, it will have to be very gradual. The doubling of the present Bengal land revenue of 3½ millions — which is the utmost increment that can be hoped for, will necessarily be a very slow and cautious process, extending over a long period of years, probably over a full generation.

The Opium question in India.
From the Pioneer Mail, an Indian newspaper.

We suppose that, in due course of time, the Japanese publish throughout England on the subject of the Indian opium trade to China will be discredited by their own ~~—~~ impudence; but, meanwhile, that they should meet any credence at all is little to the credit of our countrymen's common sense. A Mr Turner among others has published a book in which he typifies the conduct of England as follows:
"The strong man knocks down
"the weak one, sets his foot
"upon his chest and demands—
"'Will you give me the liberty
"to knock at your front door and
"supply

"supply your children with poison
"ad libitum?"" It is fortunate
that the Anti Opium League
are thus overdoing it. For thus
we may hope, that they will
defeat themselves. The British
public and the London
journals, even the Spectator,
must ere long begin to
understand that no one forces
opium on China, and that
no one wants to or does
prevent China from having
opium. Then they will further
comprehend that the fanatics'
object is to deprive China of
Indian opium whether she
wishes it or not; that they
not only wish the Indian
Government to abandon a
most profitable manufacture
and export on its own
account but also (as they know
that this will only increase

the

the opium supply! They want the manufacture and export forcibly put down altogether, and even the import into China forcibly prevented. And all this at the cost of the Indian tax-payer!

The Opium Trade.

[An extract from the Shanghai Courier.]

As to the way in which the contraband trade in foreign opium was carried on in China fifty years ago, the "Englishman" says it at once shows how little would be the gain to morality if the views of the anti-opium agitators were carried out, and explains the dissatisfaction with which the Mandarin class regard a system under which the importation of the drug into China is legalized. The effect of laws which prohibited the importation of opium under pain of death was not to prevent the trade, but to fill the pockets

pockets of the local officials
who winked at it for a
consideration. The demoralizing
effects of an irresistable
temptation to corruption
were thus superadded to
whatever evil may have resulted
from the consumption of the
drug. This temptation would
certainly be none the less
effective, now that the habit
of opium smoking is fifty
years older and the number
of the population addicted
to it has enormously increased.
Even if the Government of India
were induced to play into
the hands of the Manchus by
prohibiting the export of the
drug or the cultivation of the
plant itself, the effect would
be only a temporary diminution
of the supply. Not only would
an immediate expansion of the
cultivation

cultivation of the plant in China prove to the great advantage of the local officials and the detriment of shareholders throughout the country; but a fresh stimulus would be given to opium growing in numerous other countries where climate conditions are quite as favorable to it as in India. Thus, while in China, the cause of morality would suffer, rather than gain, the Government and People of India would be impoverished to the extent of several millions sterling annually for the sake of a chimera. The trade, cleared it may be for a time, to the advantage of none except the corrupt Chinese official, and to the great distress of many, would in the end, pass into the hands of less scrupulous,

or

or more practical rivals. The peasantry of India would groan under insupportable burdens, public works would be stopped, and the services would be starved, for want of funds, and all progress, except on the road to ruin, would be at an end. In the meantime the superfine moralists of Exeter Hall would have the satisfaction of knowing that, however much evil might flourish in China, the British nation at least had no concern in it, and however much misery might have been inflicted in India, it was amply compensated for by a spice of the virtue of self denial.

The Evil of Opium

["Autobiography of an Opium Smoker."]

We are in receipt of the Chinese Recorder and Missionary Journal for November and December. It contains some very interesting matter, the "Autobiography of an Opium Smoker." by Doctor Dudgeon being specially instructive as far as the use of the drug is concerned. The writer says: "Opium is the Ying tsu hwa, and formerly China had none. People began to know of this drug in the Tsang and Ming dynasties. They had heard of it but they had never used it. The first real acquaintance with it began in the early years of the

the reign of the Emperor Tau Kwang of this present dynasty. Foreigners brought it and the Portuguese first took to it. In the 17th year of the Tao Kwang (1837) a Censors Hwang Chioh tse sent up a memorial stating that this substance injured the people. The result was an edict from the Emperor allowing six months to get cured of this vice. During this period many recovered, but others did not, so the Emperor added three months more. If after this extra period, the smokers failed to abandon the vice, the punishment will be death to them, decapitation to the sellers and strangulation to the buyers of the drug. At that time I removed opium before the

the issue of the edict, and consequently was banished to Lokun tai (place of soldiers near Calgan). Lost my office and emoluments; at home I had nothing wherewith to support father, mother and wife. Being myself a smoker, I know well the injury it inflicts and thus became to learn that large and small officials and merchants also partook of the drug. The injury it produced was this; (1) It injured the body (2) squandered money (3) delayed business (4) resulted in the sale of wife and children. The former and the damage therefore, are not light or trifling. In smoking I found the opium drying and heating: that it would cure diarrhoea, and spermatorrhoea, and that after smoking

smoking for a long time,
for many days became
sleepless, and that my
capacity and virility were
both destroyed. I found
when women resorted to the
habit that they became
libidinous and smokers
do not distinguish between
male and female. All smoke
together, not men and
wife together but different
peoples wives, and so
immorality often exceedingly
grievous character resulted
from mixing up of the
sexes in opium smoking.
In Chikki, according to my
calculation, there may be
at present one million
of persons who smoke; the
habit is not always the
same, some large, others
small, but altogether on an
average

average each man uses
eight candareens of silver
There is thus spent each
day about 8 lacs of taels
(80000 taels) Peking has 18
provinces; at this rate there
is spent 144 man (1,440,000
taels) per day 4320 man
(43,200,000 taels) per month.
and in one year of twelve
months 5 man man 1840 man
taels (518,400,000! We spend
all this money and the
smokers ~~have~~ all their
capacity for making money
so it comes that the country
gets every day poorer; bad
people numerous and the
good suffer in conjunction
with the bad To teach the
people be good tabets is to
frighten the good so that they
will not dare to it; there
fore smoke must be made

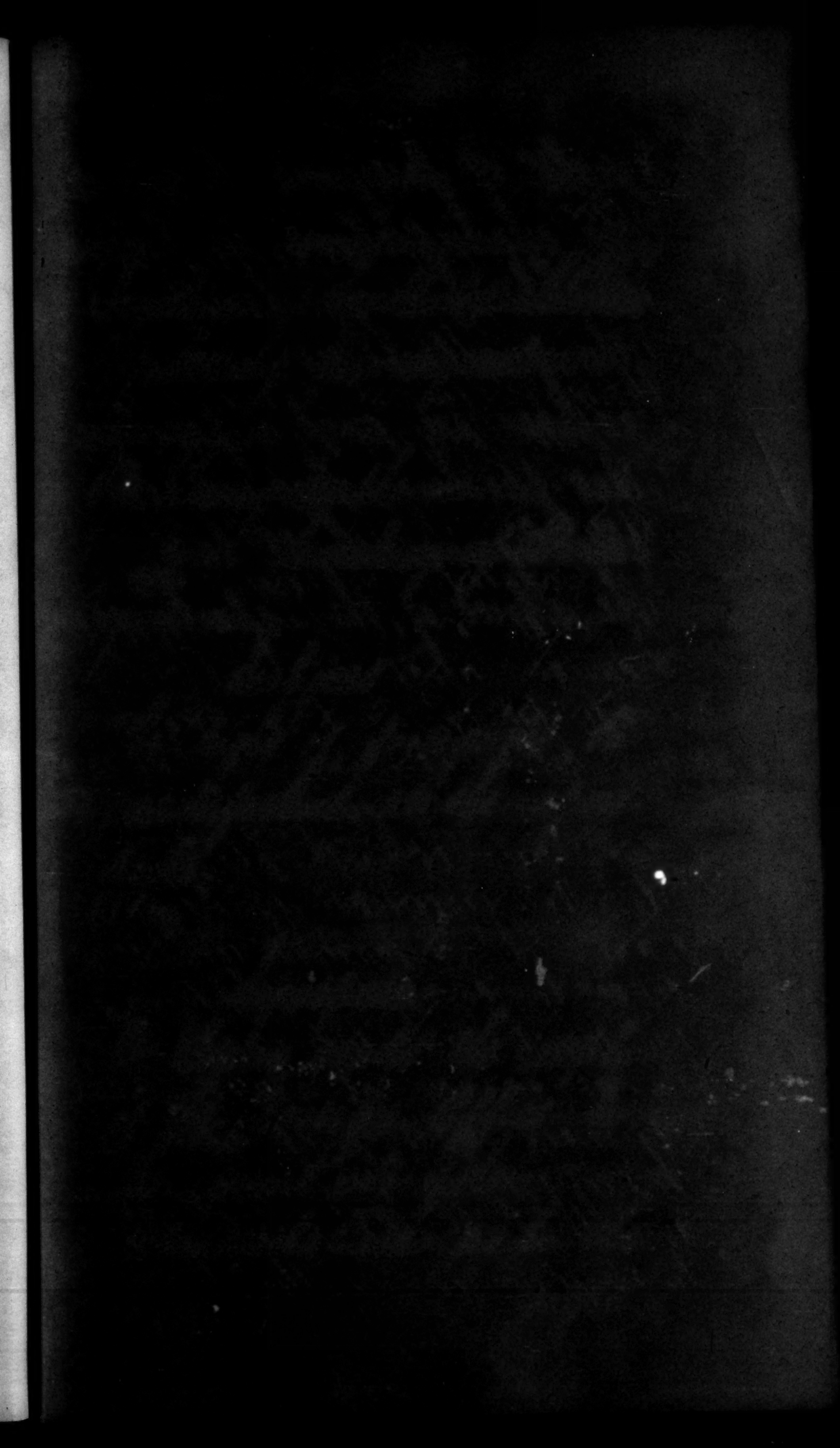
to

to feel ashamed. How is this to be done? The Emperor must issue an edict to inform all the officials and people - the smokers must be placed altogether together in one street, or lane or village or town in the country they must all dwell together in "opium" villages, quite irrespective of official rank and position. Beggars, play actors &c must be put into place. The high officials will thus lose face and must consequently take measures to get rid of the vice. Those smokers who are willing to give up the habit, must tender up their pipes and lamps and sign a pledge, and only then will they be allowed to mix with the good people. When they

have

have repented and forsaken
they become good subjects
If there be any who cannot
and will not give it up
they must remain there
till death. When one dies
there will be one smoker
less. By this plan the good
people will soon be rid of
the vice. Great officers of
Government must be sent
to foreign countries to
arrange about the prohibition
of foreign opium. Some
people say that on account of
this being a large business
affair, the foreigners will
not be willing to agree to
this. All say that foreigners
have purposely taken up
this trade and prosecute
it with all their might.
in order to injure the Chinese
people and obtain their
silver

silver. In my opinion this is not the reason. All say that foreign missionaries come to preach christianity in order to injure us. We have never heard news of little countries being injured and destroyed because religion was propagated in them. Truly the business is prosecuted because much money is made by it; and because there are people who eat, so there are foreign merchants who bring it. If nobody ate, the business would cease; the foreigners would cease to carry on a trade in which they did not make money. If great officials were sent abroad to negotiate, foreign countries would not refuse to arrange this matter."



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FOREIGN RELATIONS
1883

No 116

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DEPARTMENT OF STATE
APR 2
1883

Legation of the United States.
Peking, January 30th 1883

Mr Young to the
Secretary of State.

Subject.
The Right of foreigners to manufacture at the open ports.

Synopsis.
Mr Young sends the reply of the Foreign Office to the joint note of the representatives as to the right

right of foreigners to engage in manufactures in China Mr Young suggests that the question at issue is now in such a position that further action, to be advantageous, should have the advice of the Department.

No 116 One Enclosure.

Legation of the United States.

Peking 30th January, 1883.

The Honorable

Fred.k T. Frelinghuysen.

Secretary of State.

Sir,

In my despatch No 69. I had the honour to send you a copy of a Joint Note addressed by the representatives of the foreign powers, resident in Peking on 14th November, 1882. to His Imperial Highness Prince Kung and the Ministers

of

of the Yamên. This note was a further chapter in the history of the negotiations which for nearly three years have been pending between the Chinese government and the Foreign Representatives, as to the construction of certain treaty stipulations - and more especially the covenant under which foreigners claim the right to manufacture at the open ports.

The Department has been made fully ~~acquainted~~ acquainted with every incident arising out of the discussions, and it is now my duty to enclose a translation of the reply of Prince Kung to our

our Joint Note.

His Imperial Highness contends that the text of the treaty giving foreigners the right to manufacture, does not bear the construction the foreign powers place upon it. We have held that under this covenant American citizens can engage in any lawful industry and enjoy the profits of their labour. His Imperial Highness argues that there was no intention on the part of his government to grant such a privilege. If Americans chose to become mechanics or labourers, or to perform any kind of work, there was no objection on the part

of

of the government. It was never intended however that the results of that work should find a market in China, or even be exported to foreign markets in competition with Chinese manufactures.

His Imperial Highness points out that under existing treaties foreign manufactures would not be within the control of the Chinese Authorities, but under the provision of Extraterritoriality would be irresponsible. The inference is that any manufacturing interest taking root in China, competing with ancient and long established forms of industry and independent of any authority except

that

that of diplomatic and consular officers would be a source of danger to China. The Chinese never contemplated such a contingency when the treaties were made and do not assent to it now.

His Imperial Highness refers to the efforts of an American firm in Shanghai to establish a Cotton Yarn manufactory, and explains the reasons why his government opposed and destroyed that enterprise. First, was the general objection to foreigners engaging in any manufacturing business. Second, there was a special objection -

objection in this - that the proposed American company was in contravention of a patent or monopoly granted by the throne to a Chinese company, giving them the exclusive right to make cotton cloth in Shanghai for a period of ten years. His Imperial Highness contends that as China wishes to encourage and nourish a new industry by protecting it, under the treaties no foreigner should be allowed to compete, and destroy it. He further claims that the granting a patent or a monopoly by the throne was a proper use of the imperial power and as such

such should be respected by
foreign nations.

His Imperial Highness insists
that the imperial government
have been acting in entire har-
mony with the spirit of the
treaties, and that the foreign
powers have no right to claim
from China more than the
contracting parties have nomin-
ated in their bond.

The views of the Legation
upon these subjects have been so
fully expressed to the Department,
that I shall not trouble you by
repeating them. I content
myself, therefore with submitting
the latest argument of the Chinese

Government

Government. From this you will see that we have really made no progress in coming to a satisfactory understanding. [It will also appear. I think from the tone of His Imperial Highness's despatch that the Chinese mean to hold their ground with tenacity.]

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I do not think that any further steps will be taken by the other representatives, until the question has been considered by the governments they represent. I do not see how we can with advantage pursue the discussion beyond this point, until the powers come to an understanding as to how far they will go to secure

their

their undoubted treaty rights. —
And I am therefore disposed so
far as our Legation is concerned —
to proceed no farther in the matter
but to submit myself to your —
guidance, as to what the —
Department feels to be our rights
under the treaties, and the best
means of securing them.

The general questions —
discussed in the despatch of His
Imperial Highness, and the —
special incident affecting Mr —
Wetmore and his cotton yarn —
company the Legation holds to
be different and distinct —
propositions. While I am willing
therefore to let these questions rest

in

in abeyance until the Department in its wisdom decides what is best to be done. I shall continue to insist that whatever may be the result of our discussions as to the construction of the treaties, even if we granted every point for which His Imperial Highness contends the treatment of Mr. Wetmore [was an uncandid, ungenerous and unfriendly proceeding, and one that] cannot be overlooked in the interests of that amity and good will which have so long existed between China and the United States.

To this I shall refer in a subsequent despatch.

In

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In the meantime trusting that the course taken and proposed to be taken by the Legation will meet with your approval.-

I have the honour to be,

Sir.

Your obedient Servant

Thos. Rose Gray.

— Enclosure. —

1. Prince Kung to Foreign —
Representatives.

3/1883. January, 22nd, 1883.

No. 3/1883 Despatch 116
Enclosure

Copy.

Peking, January 22nd 1883.
(Kuang Hsü 8th year, 12th moon 14th day.)

Translation

In the course of the 10th moon of the current year (November 1882) we had the honor to receive a joint note from Their Excellencies the Representatives of the Treaty Powers residing at Peking, in which three different points were discussed at length. viz.

1. That the expression "Indemnity" (Pei Hsiang Kuei Tao) contained in the treaties referred to the permission of subjecting native produce

to

to a manufacturing process;

2nd. That foreign merchants, on paying the same duties as Chinese merchants, were at liberty to re-sell according to their own pleasure, the Produce purchased by them;

3rd. That certain manufacturing monopolies lately granted, were not in accordance with Western usages in reference to monopolies.

The general tendency of the four note, therefore, was to claim for foreign merchants certain advantages which for more than twenty years they had not been enjoying, a claim, which if granted, would in reality cause the livelihood, of many hundreds, nay thousand of Chinese merchants, a livelihood which they

they had been enjoying from the very beginning, to be encroached upon and seriously damaged.

We shall therefore now take the liberty to explain the matter to your Excellencies at length according to the Treaties. The 7th Article of the French, the sixth article of the German and the eleventh article of the Belgian Treaties, grant the right of "living" or "residing", "trading" and "working" "in peace" and "without hindrance".

These are general expressions. In later paragraphs the special conditions under which houses may be built in order to live in them, under which goods may be purchased and sold, and under which laborers may be engaged for working purposes, are explained at more length in seperate

articles

articles. If now Your Excellency say that as the engagement of workmen is mentioned in another article, the expression "Kung tso" must refer to something else. we beg to ask whether in this case, the right of "living" or "residing," and "trading" must likewise refer to some other matter? This alone suffices already to show that the expression "Kung tso" cannot be explained as being identical with "subjecting native produce to a manufacturing process." If further the K'ang hi Dictionary is referred to with regard to the meaning of the character "Kung," we find there that it means "skilled in his own work" and further "a mechanic" or "artificer". All these explanations evidently refer to people living by the work of their

their hands, but they do not refer to produce brought into them articles by a manufacturing process. Even the French word "industry" which in this passage of the Treaties, is the French translation (sic) for the character "Kung tso" is explained as meaning "the "skilful execution of some "handiwork," or as meaning: "a craft or handiwork by which somebody gains his livelihood" The meaning of the French terms, therefore even in its widest application, does however not clearly imply the act of subjecting native produce to a manufacturing process. Only by a forced interpretation, therefore this meaning can be found in the terms in question or rather imputed to them. Though

further

further it is stipulated
in the French Treaty that
the original text shall be
decisive for the interpretation
(sic) still, in the English
as well as in the Danish
and German treaties it is
said that the Chinese and
English respectively the
Chinese and German texts
had been carefully examined
and found conformous. And
in the treaty of the Netherlands
as also in the Italian and
Spanish treaties, there are
articles according to which
the text in its own language
shall be decisive for each party
and "each party shall consider
"the text in its own language
"as the authentic one." The
Chinese Government under all
circumstances must be
guided by the Chinese text

and

and the meaning of the expressions "Hungtzo" and "Industrie" in Belgium as well as in foreign languages, is clear enough and easy to understand. And herein lies our proof that this term cannot be adduced as an argument for the claim of being permitted to carry on manufacturing professions of the kind above specified. As regards articles of international commerce, nothing is more minute in all its details than the Tariff. Now, native produce may be purchased by foreign merchants in the interior; it may be exported by them; it may be carried coastwise by them; therefore there is a transit duty, there is an export duty; and there

is

as a coast trade duty; but the treaties may be searched everywhere and no "Sale within port duty" will be found in them. If therefore it is suddenly maintained as agreement that on paying the same duties as Chinese merchants a sale at the ports may take place, this is an endeavor to augment the stipulations of the treaties which have been carried out everywhere since many years by the introduction of this new practice. To allow this to be done without further notice, is impracticable indeed.

According to the 5th Article of the "General Rules for the Customs" further, goods which are not imported, have to pay 2½ times

times the tariff duty. Also
H.E. Mr von Brandt in the
former negotiations with
the Zollverein agreed that goods
bought under transit pass
if not exported, should be
liquidated by paying 2½ times
the tariff duty. If now
permission were granted to
manufacture new articles
and to sell goods at the ports,
who would henceforth care to
export the original produce?
Consequently, the duty already
agreed to in principle, equal
to 2½ times the tariff duty,
would lose the elementary
conditions of its existence.
And would not the stipulations
of the treaties be rendered
negatory? Herein, therefore,
lies another proof that
carefully considering and
studying the matter in the
light

light of the tariff, there are likewise the gravest objections against permitting native produce to be subjected to a manufacturing process. It must further be borne in mind, that when Chinese subjects (let "merchants" but this term is of wider application in Chinese than in foreign languages) begin to manufacture articles for sale the permitting them or forbidding them to do so, depends solely on the decision of the authorities. Now as foreign merchants in the open ports of China, and up the interior, are not in the same way as Chinese merchants, under the jurisdiction of the Chinese authorities, it is of course impossible to deal with them in the same way as with Chinese merchants

When

When Chinese merchants beg to be allowed to do something either permission may be granted to the one and refused to the other, or permission may be granted at first and then retracted, merely according to the independent resolves of the Chinese authorities, without any interference on the part of the Consuls in the Chinese ports.

Now as regards the association of Chinese merchants at Shanghai for manufacturing cotton goods, this is quite a new undertaking for China, (i.e. an undertaking which now for the first time is seen in China) The high provincial authorities, in consideration of the great efforts made by the members of this association in buying such

such a thing for the first time, have sanctioned the understanding and reported in this sense to the Throne. And last dishonorable merchants. (lit: "merchants having no regard for what is honorable") seeing that others had successfully commenced something should try to wrest their lawful profits from them by competition, the provincial authorities have further granted to the association a term of ten years, within which others should be forbidden to form a similar association by the competition of which the interests of those who had made the first trial might be seriously damaged. The action of the Chinese officials in this case has therefore been based on a

careful

careful consideration of the special circumstances of the matter, and at the same time guided by a desire to guard against future abuses. How, then, could it be said that the provincial authorities had thereby usurped rights not belonging to them, or that they had been guilty of a one sided partiality?

As regards foreign merchants their profits from import and export trade in conformity with the existing rules, during the last twenty odd years have been considerable enough; why therefore should they now again be permitted to compete with those Chinese merchants who by way of experiment have formed an association? And how further can it at all be

be permitted on Colonial territory, the regulations on native produce not having been at all examined and put into practice to manufacture other articles out of cotton thread raw silk and the like, for the purpose of selling? And herein lies another proof that, on considering and carefully the matter from the standpoint of Colonial commercial interests, there are likewise the strongest objections against permitting foreign merchants to sublet native produce to a manufacturing process.

To resume, those things that are unmistakably proved out in the treaties have already for a long time since been everywhere put into

into practice, but as regards those things that are not provided out in the treaties with unmistakable clearness, they can only be made a subject of mutual deliberation after it has been proved that they are not detrimental to either party. The former negotiations of H.E. Sir Thomas Wade, when he agreed to the taxes and tariff duty on foreign merchandize being simultaneously levied, had already led to a mutual understanding, and though on account of the opposition on the part of foreign merchants, the matter has come to a standstill, yet difference of opinion there is none with regard to it. The negotiations of His Excellency Mr. von Brandt on native produce have likewise been successful with

regard to the main points;
duly in the matter of the
fabrication of new articles by
a manufacturing process. The
treaties contain no express
stipulation permitting such
a thing to be done, the vital
interests of the Chinese merchants
are affected thereby; we have
reiteratedly conferred on this
point with their Excellencies
the Superintendents of Trade
for the Northern and Southern
Ports, and with the high
provincial authorities of the
whole Empire, and they say
with one voice that this can
by no means be conceded.
Therefore, after the most mature
and frequently repeated
consideration, our Cabinet has
come to the conclusion that
it is really quite impracticable
to agree to it.

Their

Their Excellencies the Representatives of the Treaty Powers are all of them intimately acquainted with the spirit of the treaties; they know perfectly well that it is the right and duty of all Governments to protect the commercial interests of their subjects. On the other hand in all matters brought before us by any one of the Foreign Representatives, our Legation has always been animated by a desire to act in a manner consistent with the existing friendly relations. That is to say mutual regard for each others interests and a wish to uphold amicable intercourse, have always been the basis of our action. But if things which are utterly unfeasible, shall be forced upon

upon our acceptance, we think that not only the Chinese Government is not in a position to negotiate on such measures, but generally speaking, no country in the world can justly force a friendly power to disregard the commercial interests of its own subjects, and such of a question of this kind were submitted to the Government of the country specially concerned, or to the Governments of other countries, we are convinced that they would judge of it in a spirit of equity.

We beg all Their Excellencies, the Representatives of the Treaty Powers to consider our above remarks maturely and with impartial minds.

The

The Queen of Hung and
the Ministers of the Tsungli
Yamên.

True translation

(Sig) C. Arendt.